S0835-1

ANNUAL REPORT 1981-1982

CALIFORNIA STATE BOARD OF EQUALIZATION

FISCAL YEAR ENDED JUNE 30, 1982

BOARD
MEMBERS

GEORGE R. REILLY
First District

ERNEST J. DRONENBURG, JR.
Second District

WILLIAM M. BENNETT
Chairman
Third District

RICHARD NEVINS
Vice Chairman
Fourth District

KENNETH CORY
State Controller

DOUGLAS D. BELL
Executive Secretary

TABLE OF CONTENTS

Page

I. BOARD MEMBERS 5

II. THE BOARD 11
- History of the State Board of Equalization 13
- Organization Chart 14

III. ADMINISTRATION 15
- Legal Services 15
- Legislation 16
- Regulation Review 17
- Statistical Research and Consulting Services 18
- Data Processing 18
- Same Day Deposit Program 19
- Personnel Management 20
- Equal Employment Opportunity 20
- Collective Bargaining 21
- Training 22
- Tax Information 23

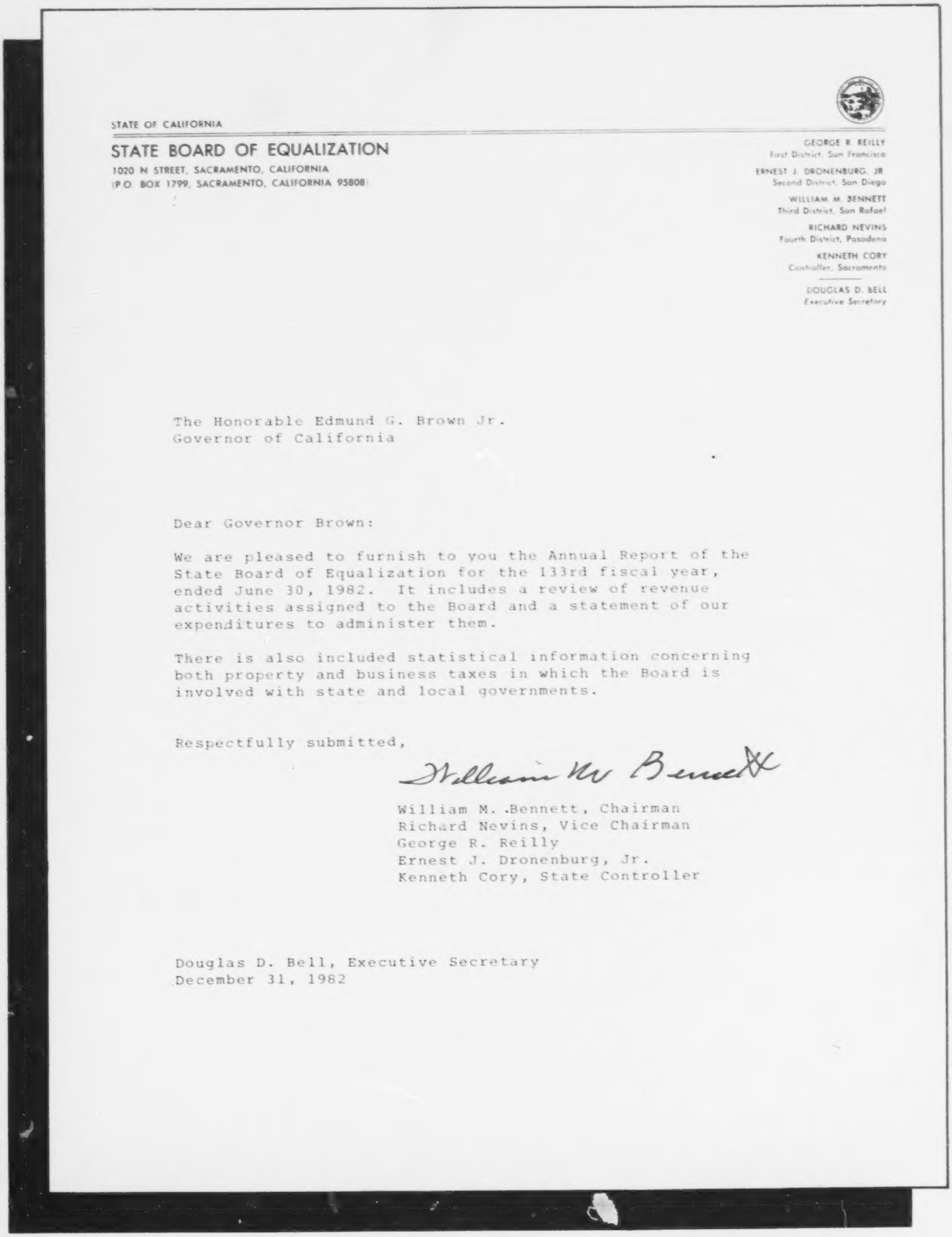
IV. PROPERTY TAXES 24
- Advice to County Assessors 24
- Appraiser Certification and Training 27
- Assessment Practices Surveys 27
- Special Change in Ownership Program 29
- Contract Audit Program 30
- Property Tax Exemptions 30
- Local Property Tax Monitoring 31
- Assessment of Public Utilities and Related Properties 32
- Private Railroad Car Tax 33
- Audit of Utilities' Financial Records 33
- Tax-Rate Area Mapping Program 33
- Timber Tax 34
- Property Taxes Legislation 36

Page

V. ECONOMIC ANALYSIS 38
- Economic Summary 38
- Economic Yardsticks 39
- Petroleum Developments 41
- Personal Income: Sources and Disposition 42
- Revenues Advance Modestly 43
- Comparison of Revenues 44
- Taxable Sales Slacken 45

VI. BUSINESS TAXES 49
- Audit Activities 49
- Enforcement Activities 51
- Tax Return Processing 51
- Use Tax Activities 52
- California Sales and Use Tax 52
- City and County Sales and Use Tax 53
- County Transit District Sales and Use Taxes 54
- Motor Vehicle Fuel License Tax 55
- Use Fuel Tax 55
- Cigarette Tax 56
- Alcoholic Beverage Tax 56
- Insurance Tax 57
- Emergency Telephone Users Surcharge 57
- Energy Resources Surcharge 58
- Hazardous Substances Tax Law 58
- Business Taxes Legislation 60

VII. TAX LITIGATION 63
- Property Taxes 63
- Sales and Use Tax 66
- Personal Income Tax 67
- Bank and Corporation Taxes 68



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA
(P.O. BOX 1799, SACRAMENTO, CALIFORNIA 95808)

GEORGE R. REILLY
First District, San Francisco

ERNEST J. DRONENBURG, JR.
Second District, San Diego

WILLIAM M. BENNETT
Third District, San Rafael

RICHARD NEVINS
Fourth District, Pasadena

KENNETH CORY
Controller, Sacramento

DOUGLAS D. BELL
Executive Secretary

The Honorable Edmund G. Brown Jr.
Governor of California

Dear Governor Brown:

We are pleased to furnish to you the Annual Report of the State Board of Equalization for the 133rd fiscal year, ended June 30, 1982. It includes a review of revenue activities assigned to the Board and a statement of our expenditures to administer them.

There is also included statistical information concerning both property and business taxes in which the Board is involved with state and local governments.

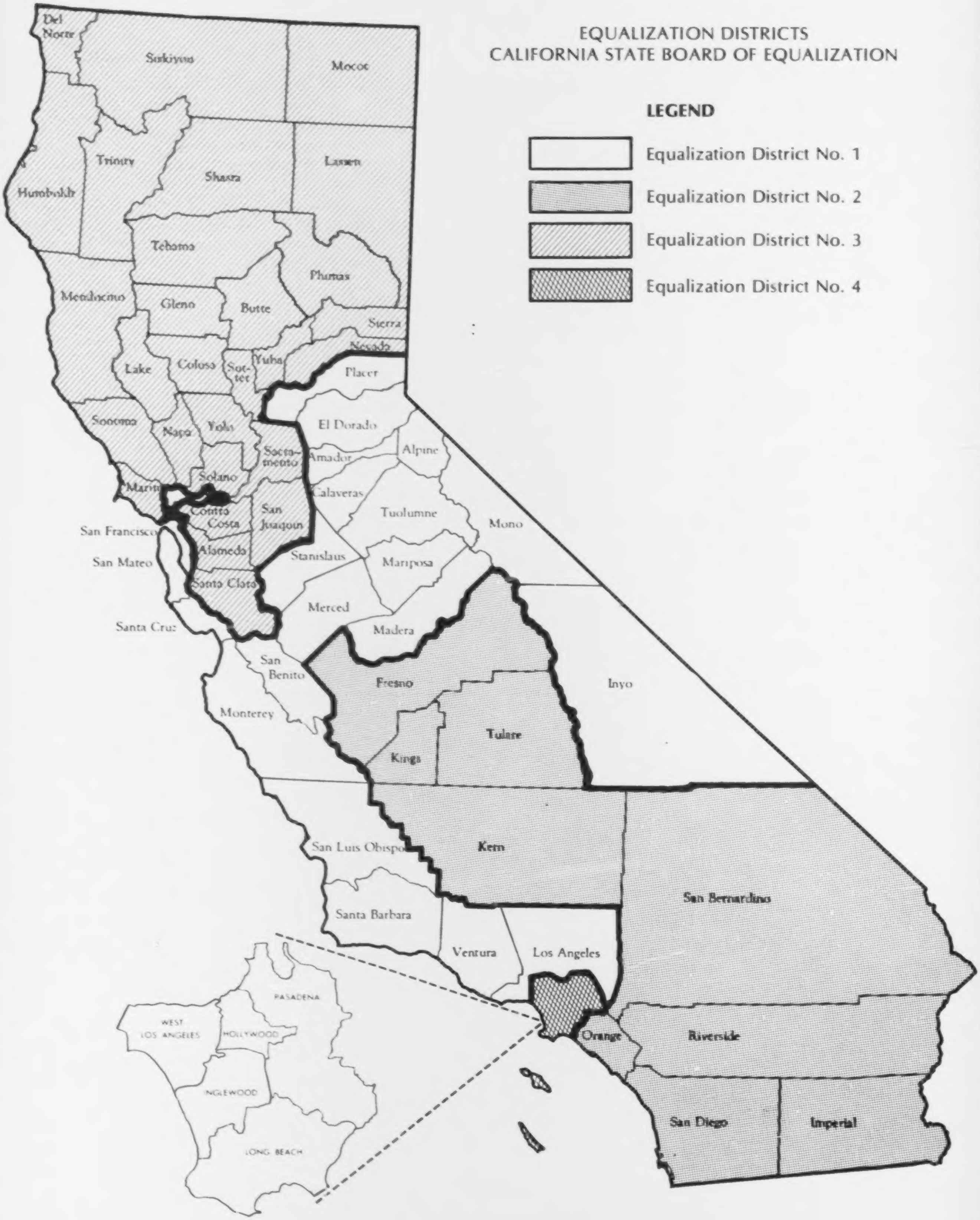
Respectfully submitted,

William M Bennett

William M. Bennett, Chairman
Richard Nevins, Vice Chairman
George R. Reilly
Ernest J. Dronenburg, Jr.
Kenneth Cory, State Controller

Douglas D. Bell, Executive Secretary
December 31, 1982

EQUALIZATION DISTRICTS
CALIFORNIA STATE BOARD OF EQUALIZATION



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I. BOARD MEMBERS

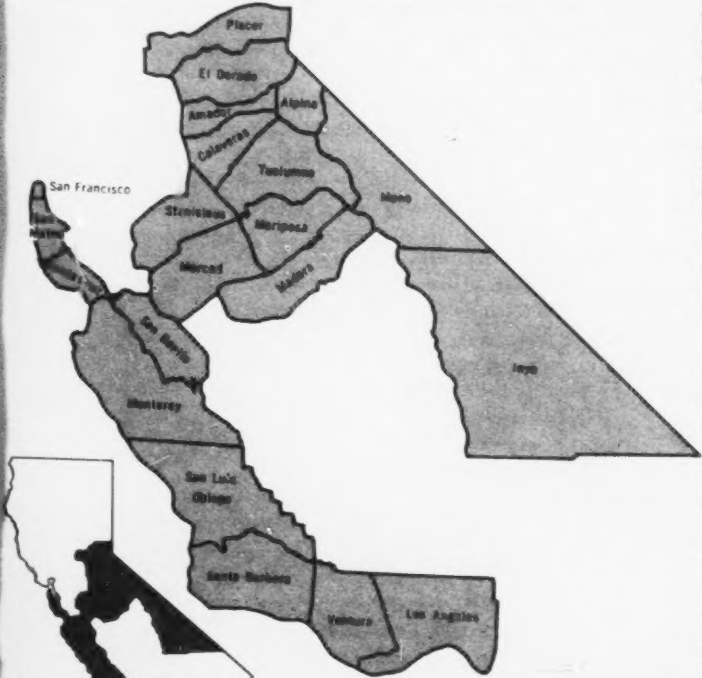
First District

GEORGE R. REILLY

A unique political career that spanned more than half a century ended July 15, 1982 with the retirement of George R. Reilly after virtually 44 years of service as a Member of the Board of Equalization, the longest tenure of any elected state official in the history of California. For ten of those years, Mr. Reilly served as Board Chairman.

Mr. Reilly was born in the Mission District of San Francisco March 21, 1903. He was educated in San Francisco schools and at Sacred Heart College. A licensed real estate broker, he was in the real estate and property appraisal business for many years. Mr. Reilly began his public service career as a member of the San Francisco Election Commission. From that office he was appointed to the Board of Permit Appeals and subsequently became a member of the San Francisco Board of Supervisors. In 1938, Mr. Reilly won the first of 11 consecutive elections to the Board of Equalization.

An ardent advocate of tax reform, Mr. Reilly has submitted proposals to the Legislature over the years to reduce homeowners' property taxes, to eliminate the tax on personal household furnishings, to repeal the inheritance tax and the business inventory tax, and to allow senior citizens to defer their property taxes. All of these proposals have been enacted.



Among his many honors, Mr. Reilly has received commendations and resolutions from the Governor and both houses of the Legislature. Most recently the California Senate honored him when he appeared before that body to accept a resolution commending him "on his exemplary record of service to, and concern for the betterment of his community and the state."

Mr. Reilly has held positions of leadership in the Loyal Order of the Moose, whom he served as Supreme Governor of the World; the Irish-Israeli-Italian Society of San Francisco, of which he was one of the founders and co-president since its inception; and he has held office in, or has been honored by the Ancient Order of Hibernians, the Civic League of Improvement Clubs and Associations of San Francisco, the Jewish National Fund, the American Society of Appraisers, Western States Association of Tax Administrators, the California Assessors Association, and the National Association of Tax Administrators.

In his letter of resignation to the Governor, Mr. Reilly cited poor health as his reason for retiring before the end of his term.

On August 10, 1982 Conway H. Collis of Los Angeles was recommended for appointment by Governor Edmund G. Brown Jr. to serve the remaining months of Mr. Reilly's term. Both the Senate and the Assembly confirmed Mr. Collis' appointment. He was sworn into office on August 17.

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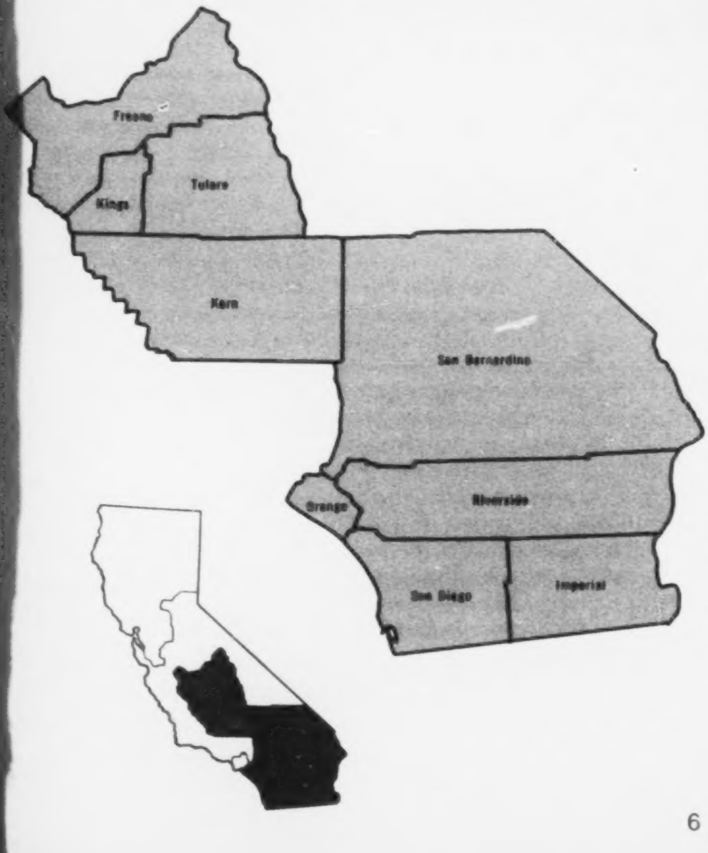
Second District

ERNEST J. DRONENBURG, JR.

Ernest J. Dronenburg, Jr., is the first Republican elected to the Board of Equalization in 24 years. His district, which extends from Fresno in the agriculturally rich San Joaquin Valley to the Mexican border, includes the urban areas of San Diego and Orange County. The district has more than 6 million people and covers a geographical area larger than the states of New York and Pennsylvania combined.

Mr. Dronenburg grew up in San Diego and graduated from San Diego State University in 1966 with a B.S. degree in Finance and Accounting and a B.A. degree in Economics. After graduation, he worked for five years in industry as an industrial engineer for NCR and the Rohr Corporation.

Though many have attempted it, Mr. Dronenburg is the first employee in the 100-year history of the agency to be elected to the constitutional office of Board Member. In 1971, he started with the Board in the Business Taxes Department as an auditor and was a field audit supervisor at the time of his election.



Prior to his election, Mr. Dronenburg was also a businessman in his own right. In 1973, working in his off hours, he helped start a racquetball equipment distributing company. Two years later, he founded a racquetball and tennis racket manufacturing company.

Among Mr. Dronenburg's professional affiliations, he is a member of the National Association of Tax Administrators, the International Association of Assessing Officers, and the National Association of Accountants. He is the developer of the Wages and Salaries (WAS) Index theory for indexing the California Personal Income Tax. The WAS Index, which has been published in the Western Tax Review, has been introduced recently in the California State Legislature.

Mr. Dronenburg's church and community activities include church auditor and Board of Trustees of the College Avenue Baptist Church; member of the Board of Directors, San Diego County Youth for Christ; and a member of the Downtown San Diego Kiwanis Club. He resides with his wife Kathy; and three daughters, Kristin, Amy, and Stephanie in San Diego County.

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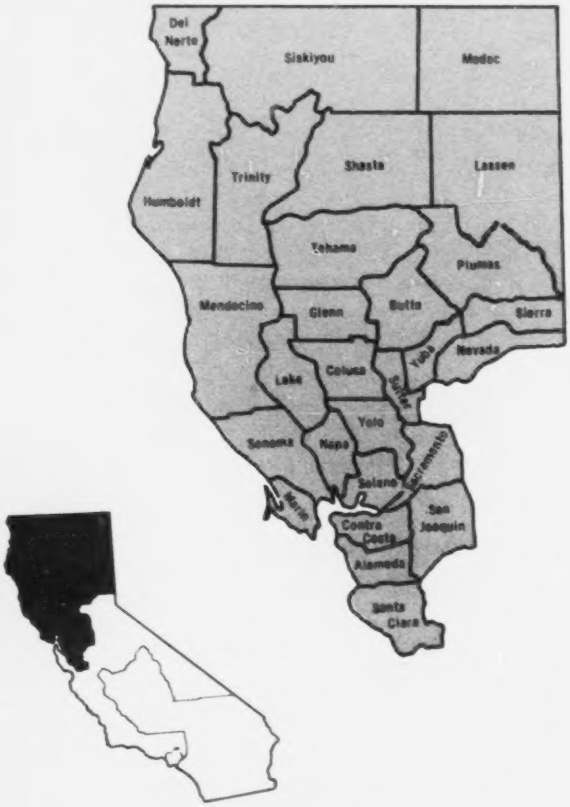
Third District

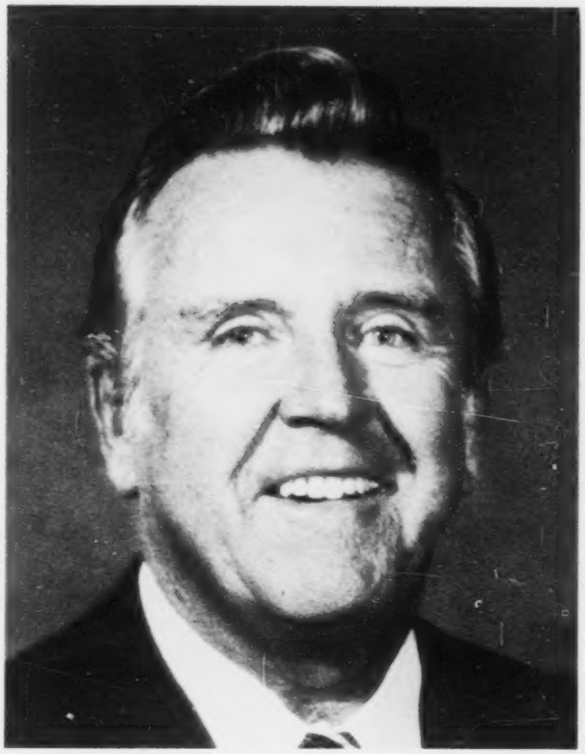
WILLIAM M. BENNETT

William M. Bennett represents the Third Equalization District, which consists of 28 counties in northern California. He was first elected to the Board in 1970. Mr. Bennett is Chairman of the Board's Valuation of State Assessees Committee, and of the Timber Advisory Committee.

He served his first term as Chairman of the Board in 1972. When Board Chairman John Lynch died in office in December 1975, Mr. Bennett was serving as Vice Chairman. He was elected Chairman to succeed Mr. Lynch, completed the latter's unexpired term, and was reelected in 1976, 1977, 1979, and 1982.

Mr. Bennett is a member of the State Bar of California and has been admitted to practice before the United States Supreme Court, appearing on behalf of the State of California eight times in significant criminal, civil, and anti-trust litigation. He has practiced extensively before both state and federal regulatory agencies and commissions. In 1969 Mr. Bennett was permitted by the U.S. Supreme Court to make a special appearance as a self-appointed "consumer spokesman" to present an argument in antitrust litigation involving the El Paso Natural Gas Company. This was the first time in the history of the Court that an individual who was neither a party to a case nor representing a specific client was permitted to make such an extraordinary appearance.





Mr. Bennett was born in San Francisco in 1918. He and Mrs. Bennett have four children: William, Jr., James, Michael, and Joan. During World War II, Mr. Bennett served as a captain in the Air Force, completing 50 missions in the 15th Air Force over Europe. Mr. Bennett has been a professor of law, teaching administrative law and consumer protection courses at Hastings College of Law, University of California, San Francisco.

Mr. Bennett began his government career as a Deputy Attorney General of California and served in that capacity for 12 years. In 1958, he was appointed chief counsel to the California Public Utilities Commission; in 1962, he was appointed a member of that commission and later served as its president.

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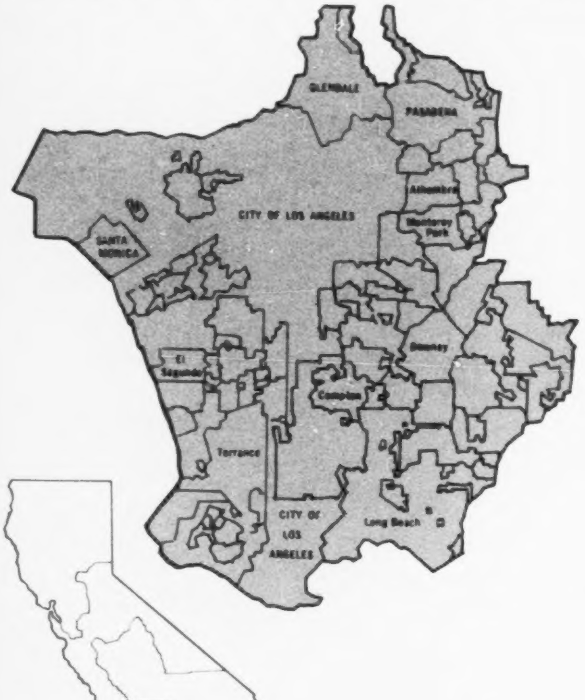
Fourth District

RICHARD NEVINS

Richard Nevins was first elected in 1958 to represent the eight southern California counties with 11 million population that comprised the Fourth District at that time. Following the 1971 reapportionment, his district now consists of six million people in Los Angeles County, the central core of California's business economy. Although relatively small by geographical standards, gross product and personal income of the new district exceed amounts registered by all but a few nations of the world. Mr. Nevins is chairman of the Board's Legislative, Data Processing, and Equal Employment Opportunity Committees.

After living in Pasadena since April 1921, and attending schools there, Mr. Nevins went on to Yale University where he graduated with an A.B. in Government in 1943. Following three years with the Army Air Force he joined an insurance brokerage firm for 12 years until his election to the Board.

As a Member of the Board, Mr. Nevins' principal interest has been in improving the administration of the tax laws. He believes that well-trained employees, coupled with effective business equipment tools and communications with the business taxpayers, bring about the most efficient and economical administration of taxes. He strongly supported the Board's implementation of AB 80, the Assessment Reform Law of 1966, which contained the legislative mandate of the 25 percent ratio on all locally assessed property. Today, property is enrolled at 100 percent of full cash value. To bring a degree of equity to property taxpayers, he advocated the Senior Citizens Property Tax Assistance Law first enacted in 1967 and greatly augmented in 1973. Mr. Nevins has long requested the Legislature to establish a Commission to determine "who pays what taxes." He has petitioned the recently established Commission on Government Reform to analyze the impact of state and local taxes on individuals, families, and business. This study becomes increasingly important with the passage of Proposition 13 which made great changes in the structure of state and local taxes, plus a shift in power relationships. The Board's data processing program has helped keep its budget under control. Mr. Nevins overseeing this function ensures the continuation of this policy of economical operation.



Mr. Nevins has been active in and affiliated with many professional and service organizations including the International Association of Assessing Officers, National Association of Tax Administrators, Western States Association of Tax Administrators, California Assessors' Association, and the American Society for Public Administration. He is the recipient of the ASPA Earl Warren and Will Baughman Awards.

Mr. Nevins married Mary Lois Minton in 1946. Residing in Pasadena, they have three sons.

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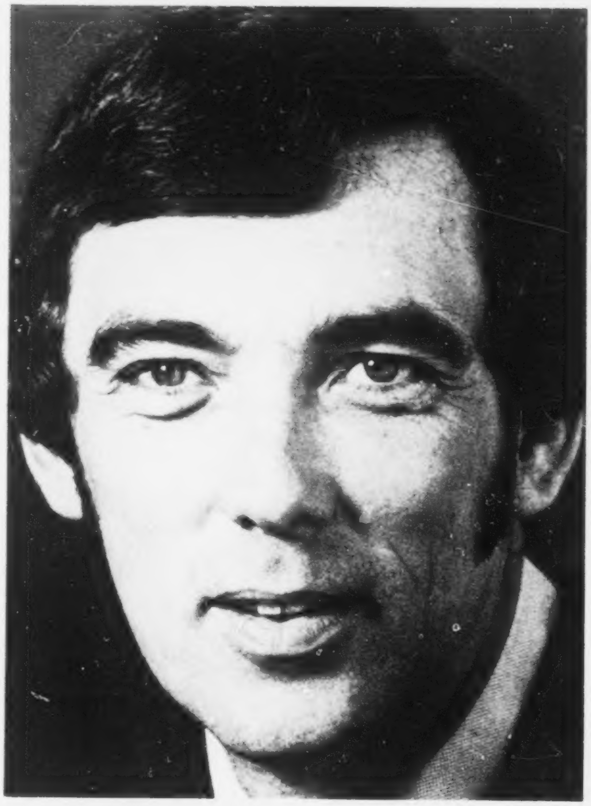
State Controller

KENNETH CORY



Kenneth Cory became California's 26th State Controller on January 6, 1975, after winning election in November, 1974. He was elected to a second term in 1978 and a third term in 1982.

Before becoming Controller, Mr. Cory was elected to four consecutive terms in the California State Assembly, representing the 69th District in Orange County which included his home city of Westminster. Earlier he served as Chief Consultant to the Assembly Education Committee and as Chief Administrative Officer of the Assembly. He has also engaged in farming and the insurance business.

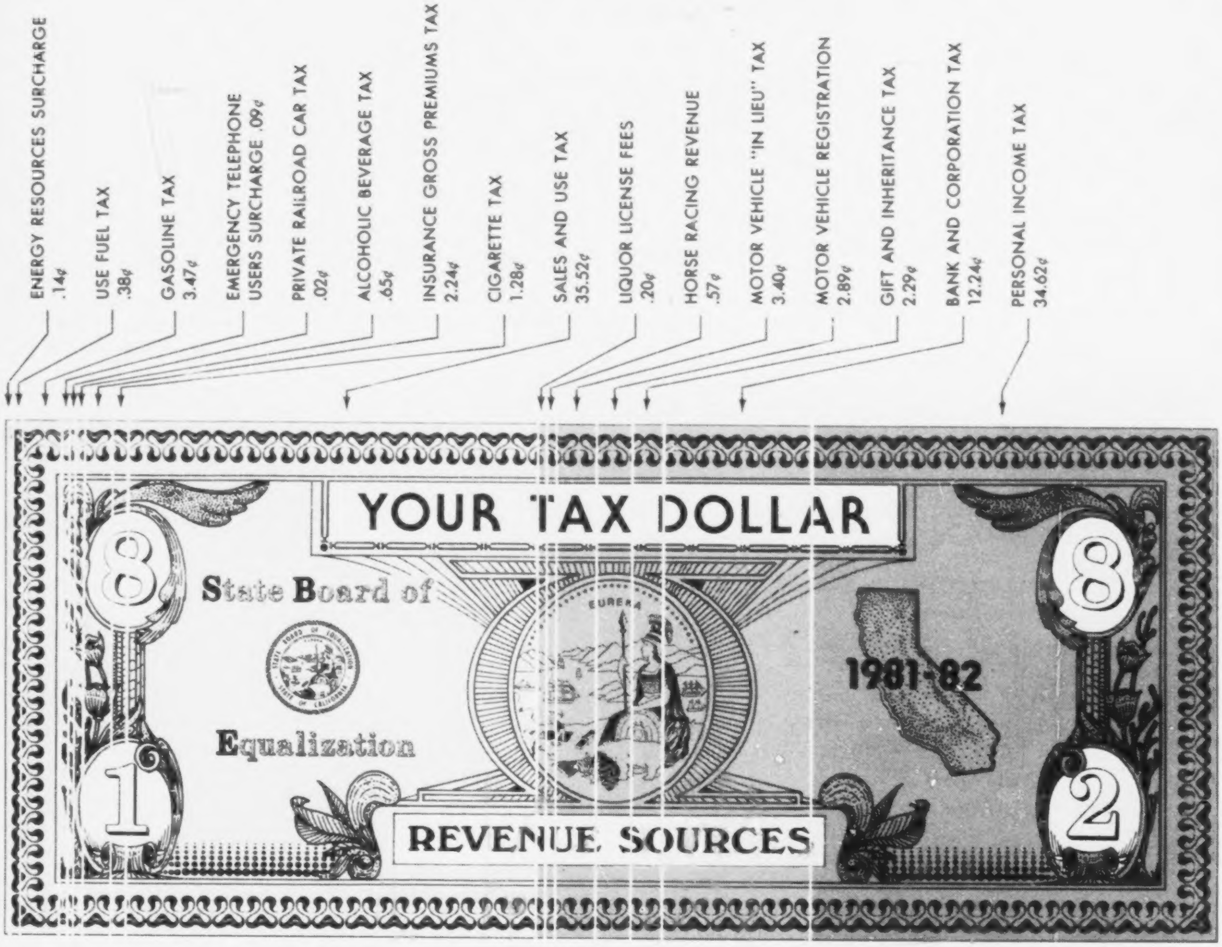
In 1970 his colleagues in the Assembly elected him chairman of the Democratic Caucus. As chairman of the Legislature's Joint Committee on Public Domain, he gained recognition for his investigation of price-fixing practices by major oil companies in California. He served as a member of standing committees on Education, Elections and Reapportionment, Revenue and Taxation, and Ways and Means.

Mr. Cory is known as one of California's leading authorities on education and school finance. He is the author of several important pieces of education legislation including bills to require instruction on dangerous drugs in public schools, to establish classes for multi-handicapped youngsters, and to enable schools to use resources of the private sector to develop innovative programs to improve reading and arithmetic instruction. He also led the fight for Superintendent of Public Instruction Wilson Riles' early childhood education legislation.

Successful Cory environmental legislation now guarantees public access to beaches and gives tax incentives to motorists driving vehicles powered by non-polluting fuels. In November, 1972, voters approved the Cory-authored constitutional amendment guaranteeing citizens the right of privacy. His consumer protection efforts were recognized by the Consumers Legal Action Council in 1972 when he was named Southern California Consumer Legislator of the Year.

Born in Kansas City, Missouri, Mr. Cory moved to southern California with his parents in 1939 when he was one year old. He is a graduate of Huntington Beach High School and attended Orange Coast College, the University of Southern California and the University of California, Berkeley and Los Angeles.

SOURCES OF STATE REVENUE



MAJOR STATE-ADMINISTERED TAXES IN CALIFORNIA

Fiscal Year ended June 30, 1982

Taxes administered by the Board of Equalization produced $434,469,000 in property taxes and $11,162,396,000 in business taxes for a total of $11,596,865,000. The Board's costs totaled $86,598,000 for an average of 75 cents for each $100 of revenue.

	1981–82 Fiscal Year		
		Percentages	
Board of Equalization	Revenue	Change from 1980–81	of Grand Total
Sales and Use Tax	$7,689,023,278	7.8	35.52
Insurance Companies Tax	484,195,784	5.0	2.24
Cigarette Tax (state portion)	194,306,017	−1.0	.90
Alcoholic Beverage Tax	139,522,553	−2.3	.65
Electrical Energy Tax	30,993,516	30.1	.14
Emergency Telephone Users Surcharge	20,052,198	27.2	.09
Private Railroad Car Tax	4,854,322	−41.5	.02
Total General Fund	8,562,947,668	7.3	39.56
Gasoline and Jet Fuel Tax	752,058,618	−.8	3.47
Use Fuel Tax (mostly diesel fuel)	81,288,336	−.4	.38
Cigarette Tax (local portion)	82,518,297	.7	.38
Total Special Funds	915,865,251	−.6	4.23
Grand Total—Board of Equalization	$9,478,812,919	6.5	43.79

	1981–82 Fiscal Year		
		Percentages	
Other Agencies	Revenue	Change from 1980–81	of Grand Total
Personal Income Tax	$7,493,004,584	13.0	34.62
Bank and Corporation Tax	2,648,735,042	−3.0	12.24
Motor Vehicle "in lieu" Tax	706,416,395	7.7	3.26
Trailer Coach Fees "in lieu" Tax	29,968,325	−20.2	.14
Motor Vehicle Registration and Other Fees	626,159,714	43.7	2.89
Inheritance Tax	480,499,523	−5.4	2.22
Gift Tax	14,751,120	−33.1	.07
Horseracing Revenue	123,625,535	−4.7	.57
Liquor License Fees	44,232,946	66.1	.20
Total—Other Agencies	12,167,393,184	8.9	56.21
Grand Total—All Agencies	$21,646,206,103	7.8	100.00

Source: State Controller's "Summary Statement of Revenues for the General Fund and Other Governmental Cost Funds", Fiscal Year ended June 30, 1982.

II. THE BOARD

The State Board of Equalization, California's largest revenue agency, is responsible, directly and indirectly, for state and local tax revenues of more than $17 billion annually.

Unique in American government, it is the nation's only board of tax officials who are constitutional officers elected to represent specific geographic districts and administer state and local tax programs. This system has given California continuity in its administration of tax programs and has made the State Board of Equalization an international leader in the field of taxation.

The original Board of Equalization was created by legislation in 1870 to regulate property assessments among the counties. That Board consisted of the State Controller and two Members appointed by the Governor. The Constitutional Convention of 1879 amended the Constitution to establish the Board in its present five-member form. It provided that each of the four existing Congressional Districts elect its own Member to represent that district on the Board. The State Controller was designated an ex officio Member to serve at-large.

Although the Constitution was again amended in 1884, no change was made in the apportionment of the state's Equalization Districts, in the number of Board Members, nor in their four-year elective terms. The Legislature was directed by the Constitution to redistrict the state after each decennial census into Equalization Districts as nearly equal in population as practicable.

The original boundaries remained virtually unchanged through the years, although the 52 counties in existence at the Board's inception in 1879 increased to 58. In 1971, the Board underwent its first major reapportionment, as the Districts were realigned to reflect changing population patterns and to equalize population totals. Currently each Board Member represents about five and one-half million people. Another reapportionment was attempted in 1981, but the Legislature could not agree on a formula and the State Supreme Court declined to act on the matter.

Photographed during a Board meeting in Sacramento, the Board Members are (from left) State Controller Kenneth Cory, Richard Nevins, William M. Bennett, George R. Reilly, and Ernest J. Dronenburg, Jr. For 1982, the Board elected William M. Bennett Chairman and Richard Nevins Vice Chairman. The Chairman of the Board of Equalization also serves as a Member of the Franchise Tax Board with the State Controller and the Director of Finance.

The Chairman conducts Board meetings, convenes special meetings, and appoints Board committees which develop and recommend policies, subject to Board approval, in legislation, valuation of state-assessed public utilities, local property assessment, data processing, personnel management, and equal employment opportunity. Each committee is composed of key staff members and a Board Member who is designated chairman by the Chairman of the Board.

The Board appoints an Executive Secretary to direct Board programs and staff activities, to implement the policies it adopts, the directives it issues, and the actions it takes. The Board also holds the Executive Secretary responsible for the organization of its meetings, including tax appeals, regulations, administrative matters, and other matters deemed necessary for action by the Board in its formal sessions.

Established originally to oversee the property tax, the Board has since been assigned the administration of almost every tax program enacted by the state. A 1911 Constitutional Amendment designated the Board to administer corporation franchise taxes, the bank share tax, a gross receipts tax on public utilities, and insurance taxes. In 1923, the motor vehicle fuel tax (gasoline) was enacted. Not until 1929 was a tax assigned elsewhere, when the Legislature created the Franchise Tax Commission to administer the Bank and Corporation Franchise Tax Law and in 1935, the state's Personal Income Tax Law. For both programs, the Board of Equalization was designated the appellate body.

Significant changes in the state's revenue structure were made in 1933 with the adoption by the Legislature of the Riley-Stewart Plan proposed by Board of Equalization Members Ray Riley and Fred Stewart. The gross receipts tax on utilities was repealed, and public utility properties were restored to the county tax rolls. In 1935, the Board resumed its role after a quarter-century hiatus as the assessor of public utility operating properties.

Also in 1933, the Legislature assigned the Board to administer a new sales tax. To cope with a fiscal crisis created by the Great Depression, the Legislature enacted a series of additional taxes—the use tax, motor vehicle transportation license tax, and the alcoholic beverage tax. On July 1, 1956, the Board began administering and collecting sales and use taxes for California cities and counties. By 1962, all cities and counties were included in the program. The cigarette tax was enacted in 1959.

In 1970, a state-administered transit district sales tax went into effect in the Bay Area Rapid Transit District and the Southern California Rapid Transit District. Through the years, other counties have adopted a transit district tax, so that now, more than half the state's population pays an additional one-half cent in sales and use taxes to finance public transportation locally, in the counties of Alameda, Contra Costa, San Francisco, Santa Clara, Santa Cruz, San Mateo, and Los Angeles.

In 1975 the electrical energy surcharge was enacted to fund the State Resources Conservation and Development Commission. The following year, a telephone users surcharge was adopted to finance an emergency telephone system. Also in 1976, the Legislature enacted a timber yield tax to replace the former ad valorem property tax on standing timber. The Board's most recent assignment is the administration of two taxes on the disposal of hazardous waste substances.

Thus the Board administers tax programs that involve virtually every aspect of California commerce in the economy which ranks the state as the seventh greatest economic entity in the world. The tax programs administered by the Board generated $11.6 billion during fiscal 1981–82 in general fund and special fund revenues for the state, an increase of 7.0 percent over the preceding year's total of $10.8 billion. The Board also collected $2.1 billion in sales and use taxes for cities, counties, and transit districts.

Board assessments of privately owned public utilities produced $407 million in local property taxes. The Board collected $4.9 million in private railroad car taxes for the state, and, for distribution to local government, the Board collected $23 million in timber taxes and $83 million in cigarette taxes (the portion that is distributed to local government.)

Formal actions of the Board are classified in three categories: administrative, quasi-legislative, and quasi-judicial.

As an administrative body, the Board develops and adopts captalization rates; classifies unitary and nonunitary property of public utilities and determines the property values of the individual assessees for local property taxation; sets the rates for the electrical energy surcharge, the 911 emergency telephone users surcharge, and the hazardous waste substances; and administers the Timber Yield Tax Law.

In its quasi-legislative role, the Board adopts rules and issues directives for the guidance of industry and county assessment appeals boards. In its administration of local property taxes, the Board prescribes property tax forms and publishes handbooks for the assessors' use in establishing uniformity among the counties. In administering taxes, the Board adopts regulations and publishes a law guide and tax tips booklets.

In its quasi-judicial capacity, the Board acts as the appellate body in final actions of the Franchise Tax Board under the state's Bank and Corporation Tax, Personal Income Tax, and Senior Citizens Property Tax Assistance Laws. The Board considers petitions for redetermination of sales taxes and other business tax matters and appeals of insurance companies under the Insurance Tax Law. In property taxes, the Board considers appeals of assessments made by county assessors on lands, water rights, and certain improvements on property owned by local government but located outside its boundaries, and appeals of reviews made by Board staff in its survey of property assessed by county assessors.

The Board meets throughout the year, in Sacramento every month and as often as necessary in other California cities. In 1981–82, the Board met in Sacramento, Pasadena, Arcadia, San Diego, and San Francisco to hear tax appeals, adopt rules, and handle other matters, for a total of more than 80 days.

The Board employs a staff of more than 2,600 auditors, appraisers, compliance technicians, and other specialized classifications in its Sacramento headquarters and in 68 field offices throughout California, and in New York, Chicago, and Houston to serve taxpayers who do business in California although their headquarters or records are located in other sections of the country. The three out-of-state offices plus a fourth office in Sacramento that serves the western states outside of California have a total of 159 employees.

The evolution of the Board of Equalization is summarized on the next page in a chronological history that lists the duties and functions as they have been added through the years.

HISTORY OF THE STATE BOARD OF EQUALIZATION

1870	State Board of Equalization created by Legislature to deal with property assessment abuses among counties. Board consisted of State Controller and two members appointed by Governor.[1]
1879	State Board of Equalization established under the State Constitution to regulate county assessment practices, equalize county assessment ratios and assess properties of intercounty railroads. Board consisted of four members elected from Equalization districts and the State Controller.[2]
1911	Constitutional Amendment provided for Board assessment of corporation franchise taxes, bank share tax, gross receipts taxes on public service corporations (utilities), and insurance taxes.
1923	Motor Vehicle Fuel (gasoline) Tax enacted.
1929	Bank and Corporation Franchise Tax enacted with State Board of Equalization as an administrative appellate agency replacing previous assessing function.
1933	Retail sales tax, motor vehicle transportation license tax, and alcoholic beverage tax enacted. Riley-Stewart Plan enacted—assessment of designated public utility properties for local tax purposes.
1935	Use Tax enacted—provided further revenue, protected California retailers from tax-free competition from out-of-state sellers. Personal Income Tax enacted with State Board of Equalization as an administrative appellate agency.
1937	Use Fuel Tax enacted—diesel tax became a supplement to the gasoline tax.
1937	Private Car Tax enacted—state tax on privately owned railroad cars.
1951	Administration of Itinerant Merchants Act transferred by legislation from the Public Utilities Commission to the Board of Equalization. This law imposed an annual fee on persons hauling produce across county lines.
1955	Constitutional Amendment transferred licensing and control of alcoholic beverages from the Board of Equalization to a new Alcoholic Beverage Control Department and the appellate function to the Alcoholic Beverage Control Appeals Board. Taxing functions remained with the Board.
1955	Board-administered Local Sales and Use Taxes program initiated. All California cities and counties were included by 1962.
1959	Cigarette Tax enacted.
1961	Itinerant Merchants law repealed.
1963	Subscription Television Tax enacted.
1964	Subscription Television Tax repealed by an initiative measure.
1966	Property Tax Assessment Reform Law enacted—mandated certification and training of appraisers, surveys of county assessors' offices, and development of property tax rules and regulations. Also added an appeal procedure at the staff level to the sample property appraisal process.
1967	Legislative action increased the Cigarette Tax and provided that 30 percent of the receipts be distributed to cities and counties according to an equitable allocation formula based on local sales tax allocations.
1969	Aircraft Jet Fuel Tax enacted.
1970	State-administered Transit District Sales Tax program enacted—Bay Area Rapid Transit District and Southern California Rapid Transit District.
1973	Motor Vehicle Transportation License Tax repealed.
1974	Waxman-Dymally Campaign Disclosure Legislation enacted—provided for audit of campaign statements. This activity terminated late in 1975 with passage of Proposition 9, Political Reform Act, in November 1974.
1975	Electrical Energy Surcharge enacted—to fund the State Resources Conservation and Development Commission.
1976	Timber Yield Tax enacted. Emergency Telephone Users Surcharge Law enacted.
1977	Litter Control, Recycling, and Resource Recovery Assessment Act enacted.
1978	Proposition 13 adopted by the electorate June 6, 1978 added Article XIIIA to the California Constitution. It changed the system of real property taxation by restricting the maximum ad valorem tax to 1 percent of full cash value, permitting a maximum 2 percent annual increase in the fair market value base to reflect inflation.
1978	Proposition 8 adopted November 7, 1978 amended Article XIIIA to allow reduction of the full cash value base of real property to reflect substantial damage, destruction, or other factors which cause the value to decline.
1982	Administration of two hazardous substances taxes assigned to the Board by legislation. One is imposed on persons who generate hazardous waste and dispose of it in California. The other, transferred from the Department of Health Services, is imposed on operators of waste disposal sites.

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[1] Although California Governor H. H. Haight "strongly advocated in his message of 1869 the establishment of a state board of equalization," it was not until April 4, 1870 that "the legislature passed a bill . . . creating a state board of equalization composed of the state controller and two members to be appointed by the governor for a term of four years."

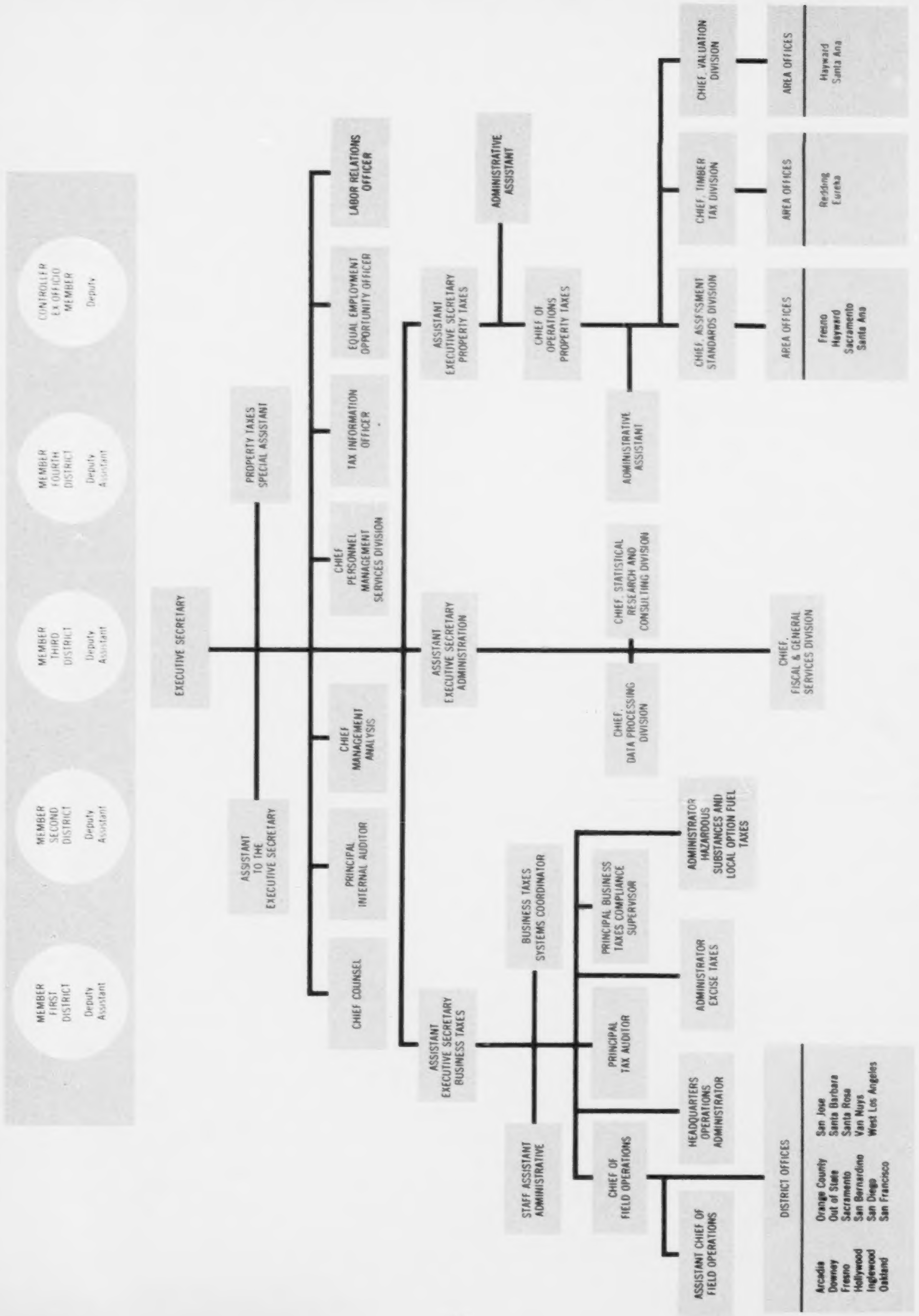
—A Financial History of California,
by William C. Fankhauser—1913

"The Board held its first meeting on the second Monday of July, 1870, and organized by electing Robert Watt (Controller) President and E. W. Maslin, Secretary of the Board." The Legislature's Act of April 4, 1870 did not go into effect until July, 1870.

—First Biennial Report of the
State Board of Equalization
November 1, 1871

[2] The Board in its present form was established by Article XIII, section 9 of the Constitution of 1879. "As originally ratified, (it) provided that the board should consist of one member from each congressional district in the State, to be elected by the qualified electors of their respective districts at the general election to be held in 1879, whose term of office, after those first elected, should be four years, and that the Controller should be ex officio a member of the board."

—California Blue Book or State Roster—1909


MEMBER FIRST DISTRICT
Deputy Assistant
MEMBER SECOND DISTRICT
Deputy Assistant
MEMBER THIRD DISTRICT
Deputy Assistant
MEMBER FOURTH DISTRICT
Deputy Assistant
CONTROLLER EX OFFICIO MEMBER
Deputy
EXECUTIVE SECRETARY
ASSISTANT TO THE EXECUTIVE SECRETARY
PROPERTY TAXES SPECIAL ASSISTANT
CHIEF COUNSEL
PRINCIPAL INTERNAL AUDITOR
CHIEF MANAGEMENT ANALYSIS
CHIEF PERSONNEL MANAGEMENT SERVICES DIVISION
TAX INFORMATION OFFICER
EQUAL EMPLOYMENT OPPORTUNITY OFFICER
LABOR RELATIONS OFFICER
ASSISTANT EXECUTIVE SECRETARY BUSINESS TAXES
ASSISTANT EXECUTIVE SECRETARY ADMINISTRATION
ASSISTANT EXECUTIVE SECRETARY PROPERTY TAXES
STAFF ASSISTANT ADMINISTRATIVE
BUSINESS TAXES SYSTEMS COORDINATOR
CHIEF OF FIELD OPERATIONS
PRINCIPAL TAX AUDITOR
PRINCIPAL BUSINESS TAXES COMPLIANCE SUPERVISOR
ASSISTANT CHIEF OF FIELD OPERATIONS
HEADQUARTERS OPERATIONS ADMINISTRATOR
ADMINISTRATOR EXCISE TAXES
ADMINISTRATOR HAZARDOUS SUBSTANCES AND LOCAL OPTION FUEL TAXES
DISTRICT OFFICES
Arcadia
Downey
Fresno
Hollywood
Inglewood
Oakland
Orange County
Out of State
Sacramento
San Bernardino
San Diego
San Francisco
San Jose
Santa Barbara
Santa Rosa
Van Nuys
West Los Angeles
CHIEF DATA PROCESSING DIVISION
CHIEF STATISTICAL RESEARCH AND CONSULTING DIVISION
CHIEF FISCAL & GENERAL SERVICES DIVISION
ADMINISTRATIVE ASSISTANT
CHIEF OF OPERATIONS PROPERTY TAXES
ADMINISTRATIVE ASSISTANT
CHIEF ASSESSMENT STANDARDS DIVISION
CHIEF TIMBER TAX DIVISION
CHIEF VALUATION DIVISION
AREA OFFICES
Fresno
Hayward
Sacramento
Santa Ana
AREA OFFICES
Redding
Eureka
AREA OFFICES
Hayward
Santa Ana

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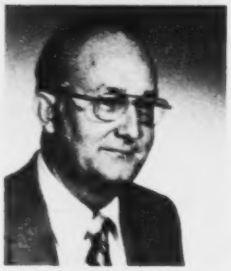
III. ADMINISTRATION

DOUGLAS D. BELL
Executive Secretary

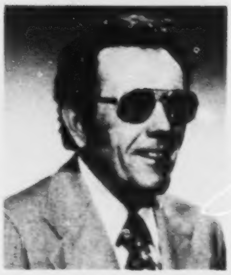
BENJAMIN P. DYE
Assistant
Executive Secretary
Administration

J. D. DOTSON
Assistant
Executive Secretary
Business Taxes



GORDON P. ADELMAN
Assistant
Executive Secretary
Property Taxes

JAMES J. DELANEY
Chief Counsel



The Board of Equalization administers business and property tax programs which generated more than $17 billion, directly and indirectly, in state and local revenue during the 1981–82 fiscal year.

Administration of these tax programs is directed by Executive Secretary Douglas D. Bell, who is appointed by Members of the Board of Equalization. Acting under the policy guidance of the Board, Mr. Bell is assisted by James J. Delaney, Chief Counsel; J. D. Dotson, Assistant Executive Secretary for Business Taxes; Gordon P. Adelman, Assistant Executive Secretary for Property Taxes; and Benjamin P. Dye, Assistant Executive Secretary for Administration.

Staff units provide support services for the business and property taxes programs administered by the Board. Administrative support services include legal counseling, banking and cashiering, data processing, mail processing, research and statistical analysis, internal audit, tax information, personnel management, training, equal employment opportunity development, printing and supply, facilities management, and labor relations.

Douglas D. Bell has been Executive Secretary of the Board since May 1, 1977. Mr. Bell joined the Board in 1947 and is the first Board employee ever promoted to the chief administrative officer position.

James J. Delaney is the Board's Chief Counsel. Mr. Delaney came to the Board in 1956 and became Chief Counsel on January 1, 1977.

J. D. Dotson, Assistant Executive Secretary for Business Taxes, has served in that position since January 1, 1977. Mr. Dotson was previously Chief of Field Operations for Business Taxes. He has been a Board employee since 1950.

Gordon P. Adelman was appointed Assistant Executive Secretary for Property Taxes on May 1, 1979. A Board employee since 1966, Mr. Adelman had formerly served as Assistant Executive Secretary for Administration.

Benjamin P. Dye was named Assistant Executive Secretary for Administration effective March 6, 1980. Mr. Dye has been a Board employee since 1948 and previously served as Principal Internal Auditor.

Legal Services

The Board employs 31 attorneys who provide the legal services necessary to administer the Board's business and property taxes programs.

Board attorneys also provide the public written and oral interpretations of various business taxes laws and advise county assessors on the application of property taxes laws.

The legal staff assists the Board in its annual valuation of privately owned public utility properties and railroad cars owned by nonrailroad companies.

Board attorneys advise the appraisal staff on the application of property tax law and subsequently present the staff's position at state assessee hearings before the Board.

Although the legal staff normally acts as house counsel to the Board, it has in recent years occasionally assumed the role of trial counsel when authorized by the Attorney General. During 1981–82, the staff successfully defended the Board's Property Tax Rule 468 governing the counties' assessment of oil and gas mineral rights under Proposition 13.

Hearing officers provide legal support services for the Board's business taxes appellate function. The hearing officers conduct preliminary hearings on business taxes appeals, and then prepare summaries and recommendations for disposition by the Board. These informal hearings are held throughout the state for the convenience of taxpayers. During 1981–82, 2,983 new business taxes appeals petitions were filed, an increase of 23.5 percent. Preliminary hearings were held on 764 petitions, 61 percent of which were resolved at that level. The Board heard oral arguments on 348 business taxes appeals during 1981–82.

A property taxes hearing officer was added to the legal staff in June 1981 to hear county appeals of findings by the Board's Local Property Tax Monitoring Division. This modified appeals procedure was adopted as an interim measure following the phase-out of the Board's Office of Appraisal Appeals in June 1980. The hearing officer, a professional property appraiser, reviewed 84 appeals in 1981–82.

In the Board's Legal Library, Attorney James Mahler looks up a point of sales tax law.

Board attorneys also provide staff assistance to the Board Members for their consideration of appeals by taxpayers from actions of the Franchise Tax Board in its administration of the Personal Income Tax Law and the Bank and Corporation Tax Law. During fiscal 1981–82, there were approximately 1,500 personal income and corporation tax appeals filed with the Board, an increase of 76 percent over the previous year. A substantial portion of this large increase consisted of appeals by "tax protesters" who argue that the income tax is unconstitutional, that federal reserve notes are worthless since they are not backed by gold, or that they have taken a "vow of poverty," turning their income over to a trust or an organization. The State Franchise Tax Board, like the Internal Revenue Service, has recently intensified its efforts to collect income taxes from such protesters. The increase in appeals may also be attributed to the continuing trend toward greater taxpayer resistance, particularly to income taxes. Inflation and recession increase that resistance.

Some 896 Franchise Tax Board appeals were completed in 1981–82 and 452 formal opinions were issued by the Board. The Board's published opinions on these tax appeals provide guiding principles and statutory interpretations for use by taxpayers and by the staff of the Franchise Tax Board.

Board attorneys also prepare analyses of appeals from Franchise Tax Board actions on the Senior Citizens Property Tax Assistance and Postponement Law. In 1981–82, 85 new appeals were filed and 82 cases completed. The number of appeals under the assistance law has declined since the 1978 passage of Proposition 13, which reduced the state's property tax rate. The number of appeals handled by the Board has also declined as the result of legislation passed in 1980 which transferred to the State Controller the administrative review and appellate functions associated with the property tax postponement aspect of the law.

Legislation

The Board participates in the state's legislative process through its analysis of tax-related bills and the assistance it provides the Legislature in formulating tax policy and drafting new bills. Each year, the Board also proposes legislation to amend existing laws where its experience has shown that administrative or statutory problems exist.

During the two-year 1981–82 legislative session, over 5,800 bills were introduced. The state's fiscal problems generated a large number of proposals for solution through new tax laws. The Board followed nearly 600 new bills which were related to the tax programs it administers and its staff was called upon to provide technical assistance in drafting these laws, providing workable programs, and estimating revenue impact. Of those bills followed, 238 were

Management Analyst Beverly Burns estimates the cost of administering proposed legislation.

analyzed for their budget, revenue, and program implications.

Legislative bill analysis, which is coordinated by the Legal Section, is a cooperative effort. The Management Analysis Section estimates the cost of administering the proposed legislation; the Statistical Research and Consulting Division forecasts the bill's effect on revenues; the Legal Section examines the statutory implications; and the Business and Property Taxes Departments assess the potential impact on tax programs. The resulting analyses are presented to the Board's Legislative Committee and form the basis for formal recommendations by the Board to the Legislature and the Governor.

The Board sponsored five measures in the 1982 session. In addition to making a number of necessary technical changes to the property and business taxes laws, these measures also attempted to change the lien date for valuing cars under the Private Railroad Car Tax Law and to grant authority to the Board and the Insurance Commissioner to promulgate necessary regulations under the Insurance Tax Law.

The state's growing fiscal crisis, the need to conform state laws to recently enacted federal legislation on welfare, and incomplete work on reapportionment of the Board of Equalization led the Governor to call an extraordinary session of the Legislature which convened on November 9, 1981, and reconvened in conjunction with the regular session on January 5, 1982. Legislation for the acceleration of certain sales tax prepayments to help balance the 1981–82 fiscal year budget was adopted, but the special session was adjourned on February 25, 1982 without providing for reapportionment of the Board of Equalization.

Regulation Review

The Board adopts regulations to clarify the law and thereby assist taxpayers in reporting business taxes due according to law, to direct the property taxes activities of its staff, county assessors, and county assessment appeals boards, and to prescribe procedures for tax appeals. The Board adopts, amends, or repeals regulations following a 45-day advance notice to affected parties and a public hearing.

In June 1982, the Board completed a comprehensive review of 560 business taxes, property taxes, and franchise tax appeal regulations as required of all state agencies by AB 1111 which became law in 1979. In accord with the guidelines provided by the Office of Administrative Law, each regulation was reviewed to determine its necessity and accuracy, its consistency with other Board and state regulations, and to assure its clarity of meaning.

The Board invited public participation in the process through notices published in newspapers and in its own quarterly bulletins to taxpayers. Notices of regulations to be reviewed were distributed to specifically interested parties, including other governmental agencies and California taxpayers whose type of business would be particularly affected. Public hearings on each regulation were held by the Board in Sacramento following meetings with the public throughout the state upon request.

As a result of this review, 125 regulations were repealed because they were obsolete or redundant, 21 regulations were amended for clarification, and 414 were found to meet statutory standards and were retained.

Barrie Griffith (right), the Board's Legal Librarian, helps Auditor Rey Obligacion consult the law.

Statistical Research and Consulting Services

The data compiled from the business and property taxes programs administered by the Board are used by the Statistical Research and Consulting Division to provide services to the Legislature, federal agencies, other state agencies, local government, private companies, and individuals.

The Division prepares revenue estimates to gauge the impact of proposed tax legislation to assist the Board in formulating recommendations to the Legislature. It also evaluates the revenue aspects of existing tax programs to improve the administration of those programs. The Division, for example, reviews business taxes audit findings in order to increase the effectiveness of the audit selection process.

In cooperation with the Board's Property Taxes Department, the Statistical Research and Consulting Division provides advice and assistance to those county assessors which have computer-assisted appraisal systems.

Economic analyses and forecasts of revenues from Board-administered tax programs are prepared by the Division for use by state and local government. The Division also develops tax revenue estimates for proposed area annexations or incorporations and conducts (on a fee-for-service basis) several hundred market studies each year for specific geographical areas.

The Division prepares a variety of comprehensive statistical reports available to the public, including quarterly Taxable Sales Reports, the appendix and Economic Analysis section of this Annual Report to the Governor, and tables for the California Statistical Abstract and the Governor's Economic Report. Statistics on statewide fuel distributions are collected from the fuel tax programs administered by the Board and furnished to federal and state government planning agencies, the media, petroleum industry, and other private firms upon request.

Data Processing

A new Sperry Univac 90/80 computer was installed during the spring of 1981 to expand and update the Board's data processing capabilities. By the end of 1981, after an extensive conversion effort, the Board's entire computer workload was being processed on the new system. The new computer has an increased workload capacity, greater reliability, and faster processing times. It also has the capability to process data from remote entry stations and features online program development for more efficient programming.

The expanded workload capability of the new computer becomes increasingly important as the Board is assigned the administration of additional tax programs. On September 4, 1981, the Board was assigned administration of two Hazardous Waste Tax programs and on July 1, 1982, a new one-half of 1 percent transit tax went into effect in both San Mateo and Los Angeles Counties. A number of California counties are presently considering additional sources of revenue in order to maintain services under difficult economic conditions. The addition of other local tax programs to the Board's responsibilities (local gasoline excise taxes or additional transit taxes, for example) could require a major expansion of the data processing services that support the administration of those taxes.

Increasing demands on data processing services are also made by the Business Taxes Consolidated Information System (BTCIS)—a statewide communications network which provides the Board's field offices and headquarters units instant access to current sales tax account information. During 1981–82, inquiries made through the BTCIS system increased by 8.5 percent.

During 1981–82, the lease on the Board's video terminals and printers expired and the outmoded equipment was replaced. Installation of 139 terminals and 81 printers was completed in May 1982. This number includes 28 additional terminals and 26 more printers. Another 34 terminals and 11 printers will be installed through 1983. All the new equipment was installed by volunteers from the Board's staff whose efforts saved the $30,000 cost of installation by Sperry Univac. Concurrently, most of the modems used in connection with this information network were replaced. (The modem is the device that translates computer information to a form that can be transmitted over telephone lines.) The modem replacement will result in additional savings of some $50,000 over the next three years.

Data Processing Analyst Dennis Freitas provides Board employees with step-by-step instructions on how to install new video terminals acquired in 1982.

Office Technicians Ed Studer (left) and Steve French set up new video terminal and printer at the Board's Out-of-State District office.

The expansion of the video terminal network has enabled the Board to improve services to taxpayers by providing current, uniform account information to its field offices throughout the state, and in Chicago and New York. This readily available information improves the efficiency of internal operations and has greatly aided in the collection of delinquent taxes. The uses of the BTCIS system have been expanded in recent years by the addition of remote entry capabilities for several data files. Video terminals at headquarters are now used to make changes to tax return payment records and enter petition and refund information. A terminal in the Occasional Sales Unit has been linked to word processing equipment so that the staff may simultaneously create a registration record of a boat, auto, airplane, or mobilehome purchase and instruct the word processing equipment to prepare standard form letters and notices to the affected taxpayers.

A new feature of the updated video equipment is its ability to transmit urgent management special messages from headquarters to any or all locations which have video terminals. Urgent or emergency information can now be simultaneously disseminated statewide within minutes. A pilot program using this feature was launched in January 1982 at no additional cost to the state.

A potentially serious problem occurred in December 1981 when the new computer system suffered a short circuit which caused a small fire in the computer. Although physical damage was small, it was in a vital location, and the entire computer had to be replaced. Fortunately, Sperry Univac was able to find a replacement computer, fly it in, install it, and have the new system fully functional within 36 hours, an exceptional effort which prevented serious disruption of service to the entire Board and the public.

Same-Day Deposit Program

Nearly 3.5 million tax payments were received and banked by the Board in 1981–82, an increase of some 100,000 payments over the previous fiscal year. The Board's headquarters cashiering and related units process tax payments for deposit within 24 hours of receipt—most within eight hours—in order to earn maximum interest for the state.

The headquarters cashier uses seven Magnetic Ink Character Recognition (MICR) machines to speed the processing of checks for deposit. This equipment enables operators to encode the amount of each check and sort it for deposit in the appropriate bank, while providing master tapes for accounting and control purposes. MICR equipment not only speeds deposits, but reduces by 2 cents per check the banks' processing charges.

Out-of-state checks for $1 million or more are cleared for immediate credit under a special contract with First Interstate Bank. This arrangement eliminates the ten-day float time during which no interest is earned.

Although tax collections did not reach projected levels, deposits by the headquarters cashier totaled $11.23 billion in 1981–82, up from $10.48 billion deposited the previous fiscal year.

Personnel Management

In accord with the State Personnel Board's policy of gradually decentralizing the civil service examination process, the Board of Equalization received delegated testing authority for eight additional classifications during 1981–82. The Board's Personnel

Senior Account Clerk Lou Sartori processes returned checks in the Cashier Unit.

Management Services Division is now responsible for administering exams for a total of 37 job classifications.

This responsibility includes publicity and recruitment of candidates, screening applications, administering the written and oral portions of the exam, and compiling lists of successful candidates. During 1981–82, the Board administered 14 examinations with 1,456 competitors participating.

A major classification for which delegated testing authority was received in 1981–82 is Business Taxes Representative I, the professional entry level to the Board's tax compliance series. That exam was conducted by the Board staff the first time in May–June 1982. In an effort to reach qualified affirmative action candidates, announcements and applications were mailed in March to 250 minority, women's and disabled persons' organizations, and to colleges and universities. In addition, a broad public information campaign was conducted utilizing the free public service announcements and programming offered by selected television and radio stations. As a result, 438 applications were received statewide.

The Board, with the largest audit staff in state government, received delegated testing authority for the Auditor I classification in 1979. That testing authority has been an invaluable tool in recruiting and hiring a highly qualified audit staff in the face of intense competition from the private sector. The Board has developed a recruitment team consisting of a statewide coordinator based in Sacramento and staff representatives from each of five recruitment regions.

Focusing its primary efforts on colleges and universities, the team interviews the current crop of promising new graduates and administers the Auditor I exam to qualified candidates. Twice during 1981–82, the recruiting team visited 32 universities and colleges, interviewing over 600 Auditor I candidates. In addition, over 300 candidates were interviewed during monthly open examinations in Downey, Long Beach, Oakland, and Sacramento.

The Auditor I recruitment program has assisted the Board in its ongoing effort to increase the number of women and minorities on its professional staff. Of the 843 successful Auditor I candidates placed on hiring lists in 1981–82, 39.6 percent were women; 6.7 percent, Hispanic; and 7.9 percent, black.

Equal Employment Opportunity

The Board, through its equal employment opportunity program, is committed to achieving a civil service work force that is fully representative of minorities, women, and disabled persons in proportion to their representation in the state labor force.

The sustained efforts of this program over the past four years have been instrumental in increasing the number of minority group employees on the Board staff. Subsequent efforts of the program have been directed toward improving the representation of Hispanics and women in the professional classes and of the disabled at all levels.

Equal Employment Opportunity Officer Louis Arredondo and Analyst Cynde Cottingham review State Personnel Board reports on affirmative action progress.

The state's declining revenues in the face of recession prompted the Governor on March 11, 1982 to impose a strict hiring freeze on all departments for the remainder of the fiscal year ending June 30. At that time, the Board had already been operating under a self-imposed freeze since November 1981. Despite these restrictions, the equal employment opportunity program was able to make some modest gains during the 1981–82 fiscal year.

The number of Hispanics on the Board's staff was increased 0.4 percent over the previous fiscal year. This brought the level of Hispanic representation overall to 8.3 percent, in comparison to the average of 9.4 percent for all state departments. Hispanics comprise 13.7 percent of the state's civilian labor force as a whole. The number of Hispanics on the professional staff increased by 0.7 percent of the Board's total work force during the year.

The Board continues to increase the number of women in the professional classes where they have been underrepresented. The number of women in nonclerical jobs climbed from 403 at the beginning of the 1981–82 fiscal year to 465 at its end. Of the 135 professional promotions made during the year, 37.8 percent went to women.

The Board worked with the Departments of Rehabilitation and Employment Development under the Career Opportunities Development (COD) program to place nine disabled persons and 12 economically disadvantaged persons for a six-month on-the-job training period. The Board is committed to hiring into permanent positions those disabled trainees who perform satisfactorily. This will be accomplished as attrition occurs. Overall, however, the number of disabled permanent employees at the

Board has progressed from 3.47 to 4.1 percent over the previous fiscal year.

Because of the hiring freezes, equal employment opportunity efforts were directed during the last half of the fiscal year toward programs with alternative funding. The Board worked with the community group "La Familia" to provide federally funded summer jobs for 29 economically disadvantaged youths. Those with a successful job performance will be considered for permanent employment in the future.

The Board encourages its clerical and technical employees to seek promotional opportunities through the Upward Mobility Training Program which helps them meet the educational requirements for promotional exams. In 1981–82, 52 employees were enrolled in this program. Training and development assignments provided the means to move qualified and interested clerical and technical employees into on-the-job training for professional positions. The use of para-professional classifications such as Management Services Technician also enabled employees to gain qualifying experience for entrance to promotional examinations.

To give new supervisors a better understanding of affirmative action, the Equal Employment Opportunity Officer developed a module on the subject which has become part of the Board's basic supervision course. In addition, the Equal Employment Opportunity Office developed a disabled persons recruiting packet which helped in recruiting disabled candidates for the Business Taxes Representative exam administered by the Board in May 1982.

Collective Bargaining

On March 12, 1981, the State Employer-Employee Relations Act (SEERA) of 1977 was declared constitutional by the State Supreme Court and collective bargaining for state employees was finally underway.

On April 24, 1981, the Board of Equalization created a Labor Relations Office, which reports to the Executive Secretary. This office—consisting of a Labor Relations Officer and two staff members—provides central coordination and assistance to the Board Members, Executive Secretary, and management staff on labor relations matters. The Labor Relations Office also acts as liaison between the Board, the Department of Personnel Administration, and employee bargaining representatives.

In 1979 the Public Employees Relations Board (PERB) identified 20 rank-and-file bargaining units on the basis of shared occupational interests. Exclusive bargaining representatives for these 20 units were elected in May and June 1981 and certified by the PERB before April 1982. The Board of Equalization has employees in eight bargaining units, six of which are represented by the California State Employees Association (CSEA). CSEA represents Unit 1 (Administrative, Financial, and Staff Services), Unit 3 (Education and Library), Unit 4 (Office and Allied), Unit 11 (Engineering and Scientific Technicians), Unit 12 (Craft and Maintenance), and Unit 14 (Printing Trades). Bargaining Unit 2 (Attorneys and Hearing Officers) elected the Association of California State Attorneys and Hearing Officers as its exclusive representative, while Unit 9 (Professional Engineers) elected Professional Engineers in California Government. The majority of Board employees are in Bargaining Units 1 and 4.

The Department of Personnel Administration (DPA) has responsibility for the implementation of SEERA, including the management of contract negotiations and nonmerit functions of the state personnel system. In May 1981, DPA began formulating management's bargaining positions through a structure of eight statewide steering committees. The Board's Labor Relations Officer is a member of the White Collar Steering Committee which has responsibility for Units 1, 2, and 4 representing some 67,000 state employees.

The state's management bargaining team for all bargaining units is headed by a representative of the Department of Personnel Administration plus representatives from various state agencies and departments.

The State Employer-Employee Relations Act requires that all initial meet-and-confer proposals from employee organizations and the state's initial counterproposals be presented at public meetings. The first such "sunshine" meeting was held on August 14, 1981 and contract negotiations began in earnest.

The issues that are subject to collective bargaining or within the scope of representation are unique under SEERA. Traditional private sector bargaining issues such as disciplinary actions and position classifications appear to be merit principles subject to the constitutional authority of the State Personnel Board and thus not a subject for collective bargaining by the Department of Personnel Administration. These types of jurisdictional questions began to surface during contract negotiations and the state's position is being challenged by exclusive representatives who have filed unfair labor charges with the Public Employment Relations Board. Because of the complexities of these jurisdictional issues, a ruling by the Public Employment Relations Board may not be made for some time.

Despite the jurisdictional questions, negotiations were completed by late June 1982, as the Department of Personnel Administration and the exclusive representatives reached tentative agreement on contracts ("memorandums of understanding") for all 20 employee bargaining units. These tentative agreements were ratified by the Legislature in late June and by the membership of the employee bargaining units in July. The state thus began the 1982–

83 fiscal year under the first collective bargaining contract in its history.

The Department of Personnel Administration, with the approval of the Legislature, also formulated a "management package" of benefits for managerial, supervisory, and confidential employees. Since these designated employees are not covered by the contracts negotiated for represented employees, their benefits program required separate legislative action.

The next step in collective bargaining will be the implementation of the contracts and the training of the state's management team in contract administration.

Training

The Board provides training for its staff to achieve departmental objectives more effectively through the improved job performance of its employees. Training also helps employees develop their skills in order to qualify for promotion.

Annual plans for training begin with discussions between employee and supervisor. The training needs of the field office or headquarters unit, the three departments of the Board, and ultimately, the needs of the agency as a whole are formulated into an Annual Training Plan. This plan is developed by the Training Committee—a representative group of employees from field offices and headquarters units—for submission to the Executive Secretary at the beginning of each fiscal year.

The Board's training program consists primarily of courses which are designed and instructed by Board staff under the guidance of the Training Office. Specialized courses in the areas of auditing, tax compliance, property appraisal, and data processing are presented for the professional staff. Also available are courses focusing on supervisory, managerial, and clerical skills. The Board's in-house training catalog includes such courses as skip-tracing and collection techniques, basic supervision, statistical sampling for auditors, tax law, interviewing techniques, and public relations.

The Board's courses for auditors and property appraisers are recognized for continuing education credit by the Society of Certified Public Accountants, the American Institute of Real Estate Appraisers, and the Society of Real Estate Appraisers.

When necessary courses are not available within the Board, they are provided through the State Department of Personnel Administration or General Services, California state colleges and universities, and the U.S. Civil Service Commission.

In addition to traditional classroom instruction, the Board's Data Processing Division employs a video-assisted, self-teaching system to provide its staff highly technical training at a fraction of the cost of manufacturer's school or other conventional courses. The

Auditors from five administrative districts attend statistical sampling class at the Long Beach office.

Machine Operator Maria Gonzalez uses tandem offset press to print copies of sales tax regulations for distribution to taxpayers.

system, which was acquired in May 1980, uses a combination of video demonstration, tape-recorded lectures, and programmed texts to train small groups at the work site on a flexible schedule. The video-assisted training can also be adapted to the Board's special training needs. For example, a new course entitled "Data Processing and You" was developed during 1981–82 for the nontechnical staff who work daily with the Board's computer programs and video terminals. The system was also used to present general interest courses on writing skills. During 1981–82, a total of 286 employees received training through the new system.

Tax Information for the Public

The Board endeavors to keep taxpayers and the general public well informed about the tax laws which affect them. A variety of publications are used to convey timely and relevant information about the tax programs which the Board administers.

The Board publishes a series of "Tax Tip" pamphlets written in nontechnical language to help various types of businesses comply with their particular tax reporting requirements. "Tax Tip" pamphlets are available without charge at all Board field offices.

The Board's quarterly "Tax Information Bulletin" announces recent and proposed changes in business taxes regulations and describes how they will affect reporting requirements. This bulletin is mailed to taxpayers registered with the Board and to other parties upon request.

Notices of proposed changes to business taxes regulations are also mailed upon request to individuals, companies, and organizations in more than 40 special interest categories. These notices enable affected parties to offer written or oral comment for consideration by the Board at its public hearings on regulation changes. Mailings of amended regulations assist these interested parties in keeping informed about current tax law.

The "Appeals Procedures" pamphlet provides a guide for taxpayers on how to obtain administrative review of assessments made by county assessors, the Franchise Tax Board, or the Board of Equalization.

As a public service, a statistical analysis of business activity in the state is compiled quarterly from the taxes administered by the Board. Published as "Taxable Sales in California," it is widely used to analyze the state's economic trends.

The tax laws administered by the Board are set forth in a series of free pamphlets which reprint the pertinent sections of California's Revenue and Taxation Code. Complete annotated copies of business and property tax laws, including the Board's regulations governing their application, are available at cost to the public.

Information of more general interest is disseminated to the public through news releases to the statewide media—daily and weekly newspapers, wire services, radio and television stations, plus various trade publications. News releases prepared by the Tax Information Office report information gathered from the Board's administration of tax programs—taxable sales activity, gasoline distributions, cigarette and alcohol consumption, allocation of local sales and use taxes, etc. News releases also announce Board meetings, policy changes, or tax postponements due to special circumstances, such as natural disasters.

Responding to telephone and mail inquiries from the Legislature, press, and public is a major responsibility of the Tax Information Office which also compiles this legally mandated Annual Report to the Governor.

Office Assistant Dean Mosqueda operates addressograph in the Mail Processing Unit.

IV. PROPERTY TAXES

It was in 1870 that the first State Board of Equalization was formed, through a legislative measure authorizing the Governor to appoint two members who would serve, along with the State Controller, as overseers of county property tax administration. This fledgling body encountered a lack of cooperation from some counties, vacillation in the Legislature, and obstruction by the courts of its efforts to equalize property tax assessments within the 52 counties which comprised California at the time.

It was not until 1879 that Article XIII, Section 9 (now Section 17) was added to the California Constitution, making the State Board of Equalization a constitutional agency. The Constitution mandated that the Board oversee the administration of local property tax by county assessors and other local tax officers. Through the years, that function has continued, although the changing role of the property tax, the shifting sources of local revenue, and the dynamic interaction between state and local delegations of responsibility have significantly altered the Board's course.

The level of the Board's involvement in the property tax ebbed in the 1920s because of the growing trend toward local governmental responsibility for tax administration. The Riley-Stewart Plan, adopted by the Legislature following a 1933 constitutional amendment, halted this decline and restated the scope and duties of the Board. State Controller Ray L. Riley and Second Equalization District Board Member Fred E. Stewart conceived this plan in an effort to meet the fiscal crisis in California brought on by the national economic collapse of the Depression. It was this plan which has structured the Board as we know it today.

The Riley-Stewart Plan called for the Board to oversee local property tax, to assess directly railroads and publicly owned utilities, and to lend technical expertise and guidance to local county assessors, the State Legislature, and others concerned with property tax assessments. These general functions remain with the Board today; only the specific applications have changed as a result of political, legislative, and economic developments in California.

After World War II, when the state's general fund became as important a source of funding for social services and public education as local property tax revenue, equalization of levels of taxation among counties became of vital concern. In response to this need, and as a result of assessment reforms enacted in 1966, the Board was mandated to expand its appraisal monitoring and assessment practices survey activities. It became the Board's job to certify and train professionally qualified county appraisers and to perform periodic in-depth reviews of assessment practices in all 58 county assessors' offices.

The Board's duties in the property tax field increased again in 1976 with the passage of the Timber Yield Tax Act, which replaced the ad valorem tax on standing timber with a form of severance tax based upon the actual harvested amount of timber and its value at the time of harvest. This tax is administered directly by the Board.

Perhaps the single most significant change in property tax law occurred in June 1978 when the voters overwhelmingly approved Proposition 13, which has been added to the California Constitution as Article XIIIA. The vagueness in the wording of the initiative compelled the courts, the Legislature, and the Board of Equalization to define more precisely such terms as "new construction" and "change in ownership." At the county level, the assessors, with almost no advance notice, were subjected to great pressure to adapt to a completely revised method of setting property tax assessments. Within a few days after Proposition 13 was passed, the Board of Equalization reacted quickly to the voters' mandate and adopted a full set of rules and procedures to guide state and local government and Californians who pay property taxes through the initial crisis created by the sudden change in the tax structure.

The following three fiscal years—1978–79, 1979–80, and 1980–81—saw the majority of important legislative, judicial and administrative actions relating to the implementation of Article XIIIA. Nonetheless, fiscal year 1981–82 produced a quantity of significant modifications to assessment procedures. The Legislature continued to interpret Proposition 13, as numerous statutes were enacted relating to new construction and change in ownership. There were also bills affecting other specialized topics of assessment—mobilehomes, timberland, open-space, and disaster relief.

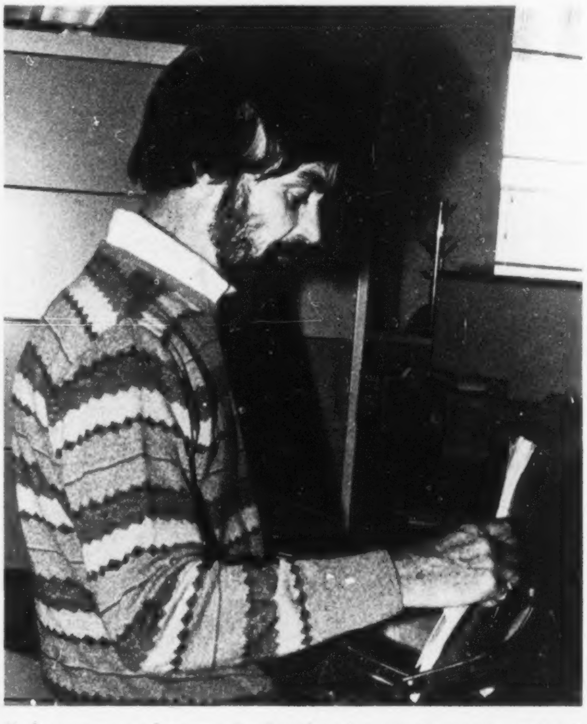
The following discussion will focus on the major activities of the Board and its property taxes staff during the fiscal year.

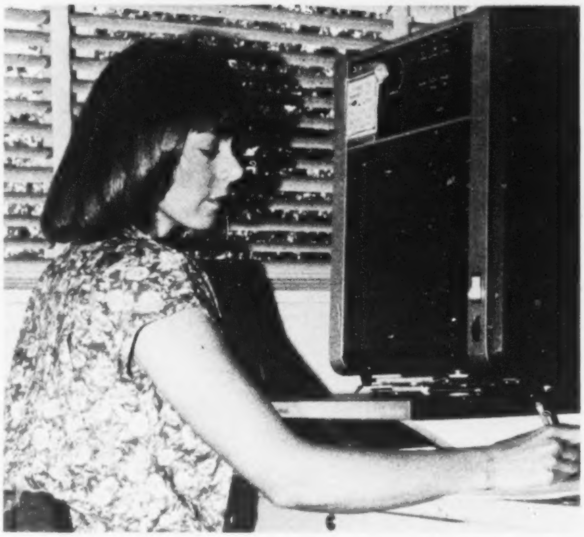
Advice to County Assessors

More than 170 formal notices were distributed to assessors and other concerned parties on a variety of technical topics. Included were summaries of pending legislation affecting property taxation, court rulings and legal opinions, highlights of newly enacted measures of concern to assessors, explanations of new or newly revised Board property tax rules, and technical bulletins on a variety of special assessment problems.

For example, in July 1981, county assessors were suddenly faced with the task of either reappraising all real property—land and improvements—on the 1978 unsecured assessment roll or providing data for the county boards of supervisors to adopt findings that the cost of making such a reappraisal would cost the county more than the net revenue gain or loss which would result from the reappraisal. This requirement occurred as a result of a 1980 court case (*Board of Supervisors* v. *Lonergan* 27 Cal. 3d 855) and related legislation which was enacted into law on an urgency basis July 21, 1981 (Assembly Bill 20, Chapter 242). The Board issued a notice to the assessors on July 22 to explain the requirements of the legislation, and two subsequent notices on August 28 and September 23 to offer further clarification.

Another major notice dealt with the classification of mobilehomes as personal property or improvements. This has been a difficult issue because many modern mobilehomes are no more transportable than a house, but many people still think of them as vehicles. The notice offered guidelines to the assessors as to the characteristics by which some mobilehomes should be classified as improvements and other mobilehomes as personal property.


Under a contract between the Board and a county assessor, Property Appraiser Lane Morrison leaves on assignment to audit a large corporation.


Office Assistant Gitta Arthur uses microfiche to track changes in corporate ownership. The Board's Assessment Standards Division reports changes to county assessors for possible reappraisal.

Special assessment procedures are required for properties which are assessed under "open-space" contracts. The correct procedure for assessing these properties is complicated, becomes even more complicated when a contract is cancelled, and is further complicated today because Proposition 13 affects the assessment of these properties. The Board distributed a six-page notice with examples to explain today's legal requirements and procedures for assessing these open-space properties.

The Board advises assessors primarily through a series of Assessors Handbooks. Among the topics covered in the Assessors Handbook are the assessor's mapping system, general appraisal theory, the appraisal of open-space property, the income approach to value, valuing mobilehome parks, possessory interests and subdivision lots. Although no major revisions to the Handbook were published during the year, the Board's staff updated the manuals that pertain to general appraisal, management of the business property program, valuation of open-space property, and the appraisal of equipment, inventory, and supplies. The staff also drafted a new section dealing with the assessment of mobilehomes.

Besides disseminating broad guidance to assessors through its formal advice notices, the Board also responds to individual inquiries from the Legislature, assessors, taxpayers, and other public agencies. The Board's technical staff handled questions from concerned parties during the year, with special emphasis on several timely areas. The impact of the *Lonergan*

Property Appraisers Jerry Trueblood (left) and Ron Hayashi prepare training materials for a mortgage equity course given by the Board to county assessor appraisal staffs.

and *Hanson* California Supreme Court decisions (see summary of legislation at the end of this section) on assessments made on the unsecured roll for tax year 1978–79 engendered much confusion among the counties, and raised questions about the ramifications of these cases. The unprecedented January rainfall that occurred in northern California caused great property damage in several counties; again, the Board's staff was flooded with questions about disaster relief ordinances and appropriate assessment procedures following calamities or disasters. Another area of mounting interest was change of ownership with specific application to transfers of real property by legal entities, such as partnerships, joint ventures, and corporations. The Board's staff responded to many such inquiries related to corporate change in ownership throughout the year.

A final new issue that has emerged to claim much of the Board staff's time and attention is the assessment of timeshares. This relatively new form of vacation property ownership is enjoying widespread acceptance in California. As timesharing projects continue to sell briskly, assessors are experiencing problems in assessing them for property tax purposes. The Board's staff is studying all applicable constitutional and statutory provisions of current law on timeshares.

The validity of one of the Board's property tax rules adopted to administer Proposition 13 was upheld in December 1981 when the Superior Court in Sacramento found that Rule 468, *Oil- and Gas-Producing Properties,* was consistent with the provisions of Article XIIIA. This case was followed in May 1982 by judicial affirmation of another Board rule, when the Superior Court in Los Angeles found that Rule 463, *New Construction,* was valid and consistent with constitutional and statutory provisions of California law.

Appraiser Gene Palmer drafts an informational letter to county assessors concerning the appraisal of time-share properties.

Appraiser Lee Gilmore analyzes field data from an assessment practices survey.

Appraiser Certification and Training

The Board certifies all its appraisers and all appraisers employed in county assessors' offices. The law requires certification of all persons who perform appraisals for assessment purposes in California. During 1981–82, 87 appraisers received their temporary certification; of this number, 66 went on to achieve permanent certification the same year.

To maintain their certified status, appraisers must receive certain minimum periods of yearly training. The Board has designed a full series of formal training courses to fulfill this requirement. During the past year, 40 courses were offered at locations throughout the state. These were attended by 865 personnel from county assessors' offices.

In addition to these courses, the Board also structured workshops of one or two days' length to provide education in current assessment topics while also meeting the annual training requirement. Ten workshops were held, providing instruction to 811 students. Staged at nine locations throughout California, these workshops provided essential legislative and administrative updates in assessment procedures in new construction, change in ownership, disaster relief, mobilehomes, and escapes and corrections.

Assessment Practices Surveys

Although a four-year cycle had been adopted by the Board during 1980–81 to replace the former six-year cycle for assessment practices surveys, a five-year cycle is now contemplated. This revision is necessary because of budgetary constraints and required changes in the survey program itself. The surveys will be augmented by integrating the sample appraisal data gathered during the field audit into the body of the survey. The emphasis of this augmented survey will be the extent to which the assessment practices within a county are consistent with or different from state laws and regulations. Accordingly, the sample appraisal data will not focus on the degree to which intercounty equalization had been achieved; instead, it will be used to determine consistency in the assessment of properties subject to the same legal limitations rather than overall conformity of assessment levels.

The survey is directly related to the revenue producing activities of the county and impacts to a large extent on the state's general fund since the state makes up any shortfall in the school appropriations on a dollar-for-dollar basis.

Assessment practices surveys currently stress compliance with the provisions of Article XIIIA (Proposition 13), and with implementing statutes, Board rules, and court decisions. While the former practice of cyclical reappraisal is not allowed for properties subject to Article XIIIA, annual appraisals are still required for certain properties. Besides revealing problems in the appraisal techniques employed for such properties, surveys also measure adherence to the concepts of "new construction" and "change in ownership" that have become so important with the passage of Article XIIIA.

Appraiser Rita Odom consults cost manuals to make appraisals based on field data she has collected. This information will be used by Assessment Standards survey crews in evaluating county assessor operations.

A Board's survey team is usually made up of a real property appraiser, an auditor-appraiser, a management analyst, an exemptions specialist, a mineral property specialist, and a cadastral mapping specialist. A combination of records review and staff interviews is used to evaluate the effectiveness of the assessor's operations.

Appraiser Bernard Azeltine matches his identifying photos of properties with written appraisal reports.

The report in which the survey team's findings are published recommends necessary changes to a county assessor's practices and procedures designed to help improve the assessment program, but also commends new and noteworthy programs initiated by the assessor. As required by law, the survey report is distributed to the Governor, both houses of the Legislature, the Attorney General, and to the board of supervisors, grand jury, and assessment appeals board(s) of the surveyed county. Each report is also available upon request to every county assessor in California so that common assessment problems and recommended solutions may be shared.

Within one year from the date the report is published, the county assessor must, according to law, file with the board of supervisors a written response to the recommendations made in the published survey report. Copies of each assessor's written response to the published assessment practices surveys are also filed with the Board of Equalization. Plans were formulated during the year to modify this publication schedule. As conceived, the Board will, upon completion of a survey, prepare a written draft survey report setting forth its findings and will transmit a copy to the assessor. Within 90 days after receiving a copy of the draft survey report, the assessor may file with the Board a written response to the findings and recommendations contained in the draft survey report. After receiving the assessor's response, the Board may prepare comments on the assessor's response to be included in the final survey report. The draft survey report, together with any assessor's response and any comments by the Board, will constitute the final survey report.

1981–82 was a year that saw the imposition of budgetary austerity in all areas of California government, including these surveys. Although the surveys are a protective force for the state general fund as well as for local revenue, reduced travel funds forced termination of survey field work after November 1981. Survey crews were assigned to the revision of existing sections of the Assessors Handbooks and to the drafting of new manuals. Nevertheless, during the year the Board published assessment practices surveys for 11 counties and began field work in four others. Surveys were completed and published for the counties of Alameda, Colusa, Del Norte, Imperial, Kern, Mariposa, San Joaquin, Shasta, Sonoma, Tehama and Trinity.

TABLE A
GENERAL PROPERTY TAX: ASSESSED VALUE OF TANGIBLE PROPERTY, TANGIBLE PROPERTY TAX LEVIES, AND AVERAGE TANGIBLE PROPERTY TAX RATES, 1972–73 to 1982–83

Fiscal Year	*Assessed Values* [a]				*Property Tax levies* [b]		*Average Property Tax Rate (in percent)*		*Property Tax Relief* [c]
	Gross (000 omitted)	*Annual Change As %*	*Net Taxable* [f] *(000 omitted)*	*Annual Change As %*	*Amount (000 omitted)*	*Annual Change As %*	*Nominal* [d]	*Effective* [e]	*Amount (000 omitted)*
1972–73	64,767,892	6.8	59,613,473	6.9	6,819,077	7.0	11.44	2.81	449,154
1973–74	69,115,976	6.7	59,616,596	0	6,647,769	−2.5	11.15	2.66	1,049,055
1974–75	76,275,719	10.0	65,693,398	10.2	7,383,411	11.0	11.24	2.73	1,167,985
1975–76	84,879,753	11.3	73,242,825	11.5	8,304,125	12.5	11.33	2.80	1,306,206
1976–77	96,104,750	13.2	83,687,264	14.3	9,376,391	12.9	11.20	2.81	1,344,981
1977–78	109,390,134	13.8	96,263,695	15.0	10,276,725	9.6	10.68	2.47	1,425,570
1978–79	119,542,405	9.3	105,547,349	9.6	5,035,896	−52.2	4.79	n.a.	786,858
1979–80	135,715,402	13.5	120,766,684	14.4	5,661,081	12.4	4.69	n.a.	988,916
1980–81	147,923,741	9.0	137,570,471	13.9	6,360,276	12.4	4.63	n.a.	1,337,588
1981–82	672,280,561 [g]	13.6 [g]	628,589,188 [g]	14.2 [g]	7,185,005	13.0	1.144 [g]	n.a.	1,314,372
1982–83	752,571,724	11.9	707,690,851	12.6	n.a.	n.a.	n.a.	n.a.	n.a.

[a] Includes locally taxable state-assessed property, but excludes the railroad rolling stock of companies other than railroads, which is subject to a state property tax in lieu of local taxes. Gross values include all exempt values for which exemption claims are required (except cemeteries) and the exempt value of business inventories prior to 1980–81 when such property became totally exempt (see footnote); net taxable values exclude these exemptions. For further detail, see Appendix Tables 4-17B.

[b] Excludes ad valorem special assessments through 1977–78, but includes them beginning in 1978–79 following Proposition 13. Property tax relief payments by the state to local governments, sometimes viewed as state payments of property taxes, are also excluded.

[c] Includes state payments to local governments for all reimbursable exemptions, plus senior citizens' property tax assistance. During 1981–82 the state allocated the following amounts to local governments to cover these: homeowners, $334,066,280; business inventories, $467,174,344; renters, $424,712,541; senior citizens total, $62,263,019 (property tax assistance, $14,611,843, and renters tax relief, $47,651,176); open-space lands, $13,712,558; and other, $12,443, 664. These amounts total $1,314, 372,406.

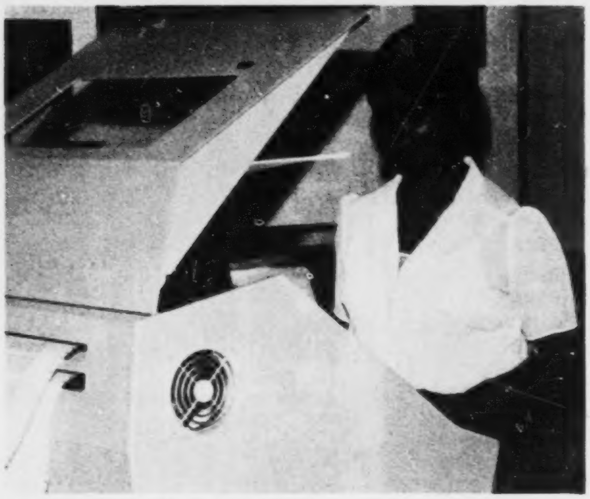
[d] Property tax levies divided by assessed values representing varying percentages of market value.

[e] Property tax levies divided by the estimated market value of net taxable properties. Beginning with 1978–79 an effective tax rate can no longer be calculated, since assessed values are not based on market values.

[f] The growth in net taxable valuation was sharply reduced by the homeowners' exemption ($750 of assessed value from 1969–70 to 1972–73 and $1,750 beginning in 1973–74), and the business inventory exemption (15% of assessed value in 1969–70; 30% during 1970–71 to 1972–73; 45% in 1973–74; 50% from 1974–75 to 1979–80; and 100% beginning in 1980–81). For 1982–83, the homeowners' exemption accounted for $29,421,069,000 of assessed value.

[g] The ratio of assessed value to taxable value was changed to 100 percent (from 25 percent) beginning with the lien date of 1981–82. The percent change was computed "after factoring the 1980–81 valuations to 100 percent of value."

n.a. Not Available.



Word Processing Technician Anna Barajas monitors word processing printout of an assessment practices survey draft.

Special Change in Ownership Program—Legal Entities

Current law requires county assessors to appraise real property when it changes ownership. Most of these ownership changes become known to the assessor through his examination of deeds recorded at the county recorder's office. Change in ownership, however, also includes obtaining control of corporations, partnerships and other legal entities. Such transactions are generally not accompanied by the filing of legal documents with the county recorder; consequently, the assessor's discovery task is more difficult and complicated and can result in substantial revenue losses.

Responding to the assessors' problems, the Legislature passed Assembly Bill 2777, which was Chapter 1349 of the Statutes of 1980. It required the Franchise Tax Board to include on the income tax returns sent to corporations and partnerships questions aimed at determining if changes in control have occurred. Responses are screened and information forwarded to the Board of Equalization for further investigation.

In 1981, the Legislature expanded these provisions by enacting Assembly Bill 152, Chapter 1141 of the Statutes of 1981. This measure requires the Board to contact the legal entity in question and determine whether a change in ownership did, in fact, occur. If the Board finds that a change in ownership did occur, it will notify the assessors of the counties in which the legal entity owns real property of its finding. The Board is also required to recommend penalties for failure to respond to requests for information regarding changes in control.

The Board's staff planned and developed a corporate change in ownership program which will meet its additional responsibilities. The program has been structured around four needs:

1. to determine whether a statutory change in ownership has occurred;
2. if so, to determine whether the legal entity owns or otherwise controls real property anywhere in California;
3. to advise county assessors that the entity's real property in their county has changed ownership;
4. to advise assessors whether a penalty is to be added to real property taxes for failure to file requested information.

The purpose of the program is to provide a system for discovering and verifying changes in ownership affecting legal entities so that assessors can timely reappraise real property owned by these entities, as required by current property tax law.

It is estimated that 800,000 corporations, partnerships, and other legal entities file tax returns with the Franchise Tax Board each year. Of this number, it is expected that 80,000 potential changes in control will take place. After receiving a listing from the Franchise Tax Board of these legal entities, the Board of Equalization will screen them annually and send questionnaires to perhaps 26,000 legal entities. The corporate change in ownership program became operational in October 1982.

This program will increase the number of reappraisals made due to changes in ownership. Inasmuch as reappraisal generally results in a significant increase in assessment because of the rapid appreciation of real estate values in recent years, this program should result in an increase in property tax revenues.

Appraiser Melvin Gruenhagen (seated) and Area Office Administrator Bob Jones review Franchise Tax Board computer listings of possible corporate ownership changes that may necessitate property reappraisal.

As property tax revenues increase, the State of California will benefit directly through a reduction in the level of K–12 school and community college subventions it is required to provide from the state's general fund under the terms of a statutory formula.

Contract Audit Program

County assessors are required by law to audit, once every four years, the records of any taxpayer who owns personal property or fixed equipment used in a business and located in that county if the aggregate value of the business property is $200,000 or more. Auditing the records of taxpayers who maintain their records outside of California would be prohibitively expensive if each assessor were to audit only that portion of the taxpayer's records pertaining to property in one county. A number of counties therefore conduct cooperative audits of taxpayers who own property in each of those counties. These audits are made both in-state and out-of-state.

The law requires that the Board offer a similar contract audit program to the counties. During the year, the Board contracted with 23 counties to perform audits through this program. Since the Board maintains permanent business taxes audit staffs in Chicago, New York, and Houston, it can offer property tax audits at lower costs through savings in travel expenses. Whenever possible, these audits are performed for several counties at once, thus reducing costs even further.

Since 1966 the Board has completed approximately 5,000 audits for 52 counties. The audits have proven highly cost-effective. In 1981–82, the Board's staff conducted 128 audits for an average return of $8.32 in tax revenue for each $1.00 in audit cost.

Property Tax Exemptions

The California Constitution provides in Article XIII, Section 1 that all property is taxable unless specifically exempted by federal or state laws. Federal law has only a minor effect on property tax assessments in California, but our State Constitution and the Revenue and Taxation Code provide for a broad spectrum of exemptions and prescribe special assessment procedures for many properties.

There are two types of property tax exemptions: those which require the filing of applications for exemption from property tax and those which do not. Annual filings are required for some exemptions, such as those provided for cemeteries, colleges, free public libraries, and real property owned by disabled veterans. Others, such as the homeowners' and the religious exemption, require only an initial one-time filing.

Examples of exemptions that require no filing are those for household furnishings, pets and personal effects, growing crops, and business inventories.

Staff Services Analyst Bill Minor reviews a property tax exemption record.

There are at least 45 exemptions specified in Article XIII of the California Constitution and the Revenue and Taxation Code that do not require the filing of an exemption claim.

Most publicly owned properties are completely exempt from property taxation. However, when a local government acquires taxable real property located outside its boundaries, this property will remain taxable according to a specified formula. Generally, the exemption afforded publicly owned property does not extend to private party lessees using such property.

Exemptions will vary in the amounts by which they reduce the taxable value of the property exempted and in the period for which the exemption is granted. The homeowners' and veterans' exemptions are fixed dollar amounts regardless of the value of the real property. Others, such as the 4 percent assessment of certain documented vessels, will vary in proportion to the full cash value of the property. Still others are for limited terms, such as the four-year exemption of newly planted trees in orchard form and the three-year exemption of newly planted grapevines in vineyard form.

Both real and personal property can receive full or partial exemption from property taxation. Personal property owned by churches and used exclusively for religious purposes, certain documented vessels, certificated aircraft, and business inventories receive varying degrees of exemption in California.

Some properties not subject to Article XIIIA of the California Constitution are assessed instead according to constitutionally authorized statutory provisions which have the effect of partially exempting a portion of the property value from taxation. Examples of such properties are agricultural lands under open-space (Williamson Act) contracts, timberlands in Timberland Preserve Zones, taxable municipally-owned property, and restricted historical properties.

The Board advises counties on the administration of all exemptions it administers jointly with county assessors and on the welfare exemption. This exemption is a total exemption from property taxes for property owned by nonprofit organizations engaged in religious, hospital-related, scientific, or charitable activities. The Board reviews each such claim annually and determines whether the property is eligible for the exemption. The county cannot grant the welfare exemption if the Board issues a negative determination.

During the year, the Board's staff reviewed 8,851 welfare claims involving 13,197 properties. Of this total, 12,030 properties were found to qualify for the welfare exemption.

Exemptions, although enacted by the State Legislature, primarily affect local revenues. State subventions are paid to local government to offset all or part of the revenue lost through certain exemptions, such as the homeowners', disabled veterans', and business inventory exemptions.

Local Property Tax Monitoring

Under this program, which is the successor to the former intercounty equalization program, the Board's staff conducted appraisal and review surveys of randomly selected assessments in 15 counties during 1981–82. These county surveys were conducted in Alpine, Contra Costa, El Dorado, Glenn, Humboldt, Kings, Imperial, Mono, Orange, San Bernardino, San Francisco, San Luis Obispo, Solano, Stanislaus, and Trinity. The key elements of these field appraisal surveys were as follows:

1. The assessments were classified into five categories based on the reappraisal criteria: 1975 base-year properties; those with a change in ownership since March 1, 1975; those with new construction; those secured roll properties not covered by Article XIIIA; and unsecured assessments.
2. The fieldwork was completed in two stages. Determination had to be made as to (a) whether the Board staff concurred with the assessor's appraisals; and (b) if not, the staff's determination of the taxable value.
3. The study dealt both with the concurrence and nonconcurrence and with the assessor's value conclusions.
4. Considerable attention was given to the factors leading to the Board staff's findings of nonconcurrence.
5. The appraisal surveys do not produce county or statewide estimates of value or ratios as in the past. Instead, they focus on consistency with state laws and rules.

The results of the survey findings are incorporated into the assessment practices survey report to help evaluate and improve assessment practices within the local county assessors' offices. Since the enactment of Article XIIIA, the concept of the field appraisal survey has been substantially altered. The latest modifications of this program are predicated on a formal merging of the local property tax monitoring field appraisal program with the assessment practices survey program.

This reorganization follows logically as a result of Board changes in the local monitoring program in two major ways.

First, the program's emphasis has been changed from the computation of countywide measures of assessment conformity to an investigation of the quality of assessments of various types of property within each county. As a result, the primary purpose now of the field appraisal program is to provide input to the Board's surveys of county assessment practices. The assessment practices surveys, authorized by statute since 1947, formerly emphasized the examination of the management of county assessors' offices. The authorizing statutes, however, also require the assessment practices surveys to report on the extent to which the county has achieved intracounty equalization. This issue is the focus of the new program.

The second major change in the local monitoring program has been its extensive reduction in the years following the passage of Proposition 13. When the results of the former intercounty equalization program were used to apportion $2.25 billion in state

Property Appraiser Ron Hayashi prepares materials for a mortgage equity course he will present to county assessor appraisal personnel.

payments to local governments, a high level of accuracy in the measurement of assessment conformity was crucial. The Board therefore employed a relatively large-scale sampling program. With the local monitoring program's new focus as a discovery mechanism for the assessment practices surveys, the overall level of assessment conformity is no longer measured. Hence, the size of the appraisal sample has been reduced.

A further consequence of the change in focus of the local monitoring program has been a reduction in the frequency with which each county is surveyed, from once every three years to once every four years. The 1982–83 state budget bill requires a further lengthening of the survey cycle to once every five years, which coincides with the cycle of assessment practice surveys.

As a result of these changes, the field appraisal staff has been cut back from 104.5 positions and expenditures of over $3 million in 1978–79 to 38.4 positions and approximately $1.5 million for 1982–83. The Board plans to use the field appraisals to enhance the quality of its assessment practices surveys. To the extent that the surveys enable county assessors to correct practices which have resulted in the underassessment of property, the state will benefit directly through reductions in the cost of school subventions made from the state general fund.

Assessment of Public Utilities and Related Properties

Section 19, Article XIII of the State Constitution requires the Board to assess annually (1) pipelines, flumes, canals, ditches, and aqueducts lying within two or more counties, and (2) property, except franchises, owned or used by regulated railway, telegraph or telephone companies, railroad car companies whose cars are used on railways within the state, and companies transmitting or selling gas or electricity.

State-assessed property is classified as unitary or nonunitary property. Unitary property is that which is owned by an assessee and is used in its primary utility or railroad operation. Nonunitary property is property owned by an assessee but not used or needed for its primary operation, or property used for a primary operation but not owned by the assessee.

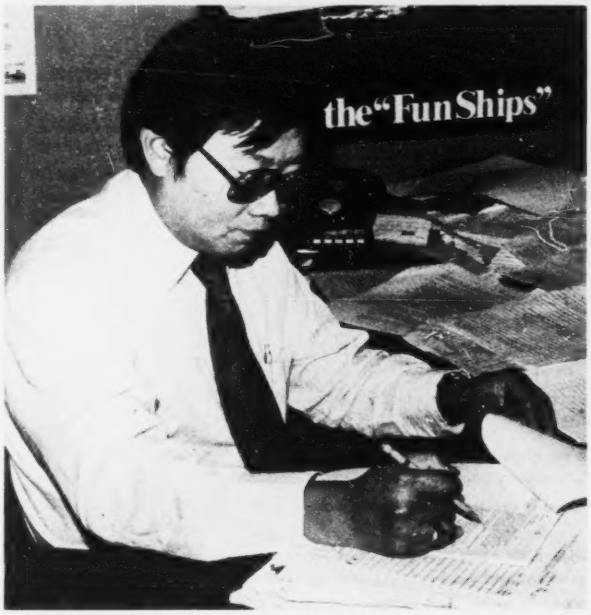
The Board's Valuation Division field appraisal staff reviews state-assessed properties in the 58 counties on a three-year cycle. Staff appraisers revalue unitary and nonunitary land parcels to reflect current market values. These unitary land values are used to allocate the final unitary value of the utilities to the various tax rate areas (jurisdictions) in which the companies operate. The appraisers make individual market value appraisals of nonunitary properties which are directly enrolled.

Annually, the Board's staff prepares a series of value indicators for the unitary property of each state assessee and presents them to the Board. These indicators are historical cost less depreciation, reproduction cost less depreciation, capitalized earning ability, and market value of stock and debt. When it is available, the staff also provides to the Board for information the replacement cost figure taken from the financial report furnished by the assessee to the Securities Exchange Commission (Form 10–K). The Board reviews the data provided and determines the total value of the unitary property for each assessee.

Each of the 58 counties receives the Board roll of state-assessed property in August and adds it to the local property tax rolls. The county tax collectors then prepare and mail the tax bills to the state assessees. When collected, the tax revenues are allocated to the cities, counties, schools, and special districts. The state receives no part of this revenue.

State assessees can appeal their assessments to the Board. During 1981–82, the Board received 30 petitions for reassessment of unitary property values, and after considering the petitions, the Board made 10 adjustments. Legislation that became effective January 1, 1982 significantly extended the appeals period. Because the appeals can be heard after the Board roll has been adopted, any adjustments in value can be reflected in the following year's roll.

Although the properties assessed by the Board are subject to the same 1 percent tax rate as those assessed by the county assessors, the Board ruled on June 14, 1978 that state-assessed property values were not limited by Proposition 13. Several state



Senior Property Auditor-Appraiser Octavio Lee reviews audit of a railroad company's income for the Board's annual valuation of utility properties.

assessees have challenged this interpretation in the courts, but the Board's position has so far been upheld. This issue is still being litigated.

Since the Board began assessing utility properties, the assessment roll has grown from a total market value of $890 million in 1935 to $39.39 billion in 1982. Local property taxes generated by local governments based on the Board's 1981–82 utility assessments amounted to $406,535,985.

State Board of Equalization
State-Assessed Property Audit Program
REVENUE RECOVERIES

	Local Government Other Than Schools (1)	*State General Fund (Schools) (2)*	*Total (1 + 2) (3)*
1978–79			
State Assessees	$270,000	$180,000	$450,000
Private Railroad Cars ..		170,000	170,000
Total	$270,000	$350,000	$620,000
1979–80			
State Assessees	$25,000	$16,000	$41,000
Private Railroad Cars ..		347,000	347,000
Total	$25,000	$363,000	$388,000
1980–81			
State Assessees	$2,220,000	$1,480,000	$3,700,000
Private Railroad Cars ..		4,400	4,400
Total	$2,220,000	$1,484,400	$3,704,400
1981–82			
State Assessees	$2,345,000	$1,564,000	$3,909,000
Private Railroad Cars ..		3,000	3,000
Total	$2,345,000	$1,567,000	$3,912,000

Senior Delineator Fred Spitzer charts boundary lines of various taxing jurisdictions.

Buddy Florence, Supervisor of the Utilities Audit Section, reviews a procedures manual used in the audit of utility companies.

Private Railroad Car Tax

There is only one property tax that is directly levied, collected, and retained by the state. That tax is on privately owned railroad cars. These cars are owned by companies that haul their own products, lease cars to other shippers, or provide a fleet of cars for a fee. The tax is based on the value of the cars, the length of time they are in the state, and the average tax rate on all property in the state for the preceding year. Cars owned by the railroads are not subject to the Private Railroad Car Tax since they are subject to the general property tax and are included in the unitary value of the railroads. For 1981–82, the taxes levied on private railroad cars totalled $5,703,645.

Audit of Utilities' Financial Records

The Board conducts an audit program to verify the accuracy of income and expense data, asset and liability accounts, and reserve accounts submitted by the utility, railroad, and private railroad car companies. A four-year audit schedule has been designed to encompass all state assessees within the four-year statute of limitations. The audit program which began in 1977 has discovered escape assessments of approximately $325,000,000 annually, resulting in $8,625,000 of additional local revenues. Since escape assessments added to the roll continue to produce revenue every year until the property is sold or retired, these are not "one-time windfalls", but continuing sources of revenue.

Tax-Rate Area Mapping Program

There are over 7,000 counties, cities, school districts, and special districts (collectively called revenue districts) in California among which property tax revenues are allocated. Their boundaries overlap in every conceivable manner, including one area in Santa Barbara County where the overlap is three-dimensional! This unique arrangement occurred because large volumes of natural gas are stored in porous rock formations under the Santa Barbara Airport. When the city annexed the airport, it was allowed to annex only the surface land, while everything below the 500-foot level remained unincorporated county territory. A coding system which translates this complex geographical structure is maintained by the Board's Tax Area Services Section. A six-digit tax-rate area code identifies every area in which there is a unique combination of overlapping revenue districts. As of January 1, 1982, there were 35,727 tax-rate areas.

Whenever a revenue district is created or territory is annexed or detached from existing districts, a map and legal description plus other information must be filed with the Board. The Tax Area Services Section then plots the new boundaries on its statewide map system and assigns the needed tax-rate area codes. Prints of the revised maps are then distributed to the affected state assessees and the county assessors. For calendar year 1981, the Board's staff processed 2,134 jurisdictional changes, resulting in an increase of 2,232 tax-rate areas.

The state assessees must report their property to the Board arranged in tax-rate area sequence. Locally assessed properties are enrolled similarly. Because both the Board roll and the local roll follow the same coding sequence, this greatly facilitates the allocation by the county auditors of the resulting property tax revenues.

The Bureau of the Census has just purchased a complete set of Tax-Rate Area Maps since they provide the only statewide mapping system that shows school district boundaries. The maps are to be used to relate those boundaries to the Census Tract Maps.

Timber Tax

Administration of the Timber Yield Tax was assigned to the Board in 1976. The Timber Yield Tax Law was enacted to tax timber as it is harvested, replacing the annual property tax on standing timber.

Logs ferried out by helicopter are stacked for loading onto trucks.

A helicopter transports logs in Siskiyou County.

The Board's Timber Tax Division registers timber owners who intend to harvest timber, provides tax return and harvest report forms, compiles harvest reports, processes tax returns and tax payments filed, and conducts verification audits. It prepares semiannual harvest value schedules based on market values of timber sales, which, when approved by the Board, become the official values used in calculating the tax.

In accordance with the law, a Timber Advisory Committee is appointed by the Board. It includes a Member of the State Board of Equalization, presently the Honorable William M. Bennett, the Third Equalization District Member, as Chairman; a forester from the State Department of Forestry; the assessors from Del Norte, Humboldt, Modoc, Mendocino, and Tehama Counties; and one representative each for large-scale and small-scale timber owners. Currently, the large-scale representative is the resource manager for Diamond International Corporation in Red Bluff, and the small-scale representative is a member of the Forest Landowners of California.

After consultation with the Timber Advisory Committee, the Board adopts the harvest value schedules no later than June 30 and December 31 each year.

These harvest value schedules are prepared for different areas of the state after the staff makes field examinations and analyses of market sales of logs and standing timber. Registered timber owners must use these harvest value schedules to compute the value of their harvested timber and the amount of tax payable to the Board.

Timber owners are required to file quarterly tax returns and harvest reports with the Board. The Board maintains approximately 2,000 active accounts with new registrations and closeouts averaging 100 each per month. Total tax collected on timber harvested during fiscal year 1981–82 amounted to $22.7 million on a total timber harvest value of $466 million.

Annually, the Board adjusts the yield tax rate for the following calendar year in proportion to any change in the average general property tax rate in the 17 rate-adjustment counties that are specified in the Timber Yield Tax Law. Currently, the yield tax rate is 2.9 percent.

Revenues from the Timber Yield Tax are distributed by the State Controller to counties that assessed timber from 1972 to 1974. Each of these counties receives a guaranteed amount that represents the average annual property tax collected on timber during that three-year period. If total revenues exceed this guarantee after costs, the surplus is distributed to all timber counties in proportion to where the taxes were collected. This distribution is based on harvest data compiled by the Board. The yield tax revenue guarantee is distributed semiannually—50 percent on November 30 and 50 percent on May 31. If there is any surplus, it is distributed annually on August 1.

Program Technician Paula Delso files U.S. Forest Service topographical maps used to locate sites of timber sales for field audits by Board Timber Tax Division.

To date, there have been ten timber tax revenue guarantee distributions to the counties totaling $123 million. The value of timber harvested to produce this tax was approximately $2.9 billion. An additional revenue distribution of $11.6 million from the surplus reserve account was made on August 1, 1979. The May 31, 1982 revenue guarantee distribution was 60 percent short because of the reduction in the yield tax rate required by Proposition 13, the decline in the harvest values, and a low harvest due to a reduction in the lumber demands of the construction industry.

The staff reviews timberland sales to establish land values that, following Board approval, become the basis for the valuation by county assessors of timberland located in Timberland Preserve Zone (TPZ) for the succeeding three years. The staff also formulates proposed rules and regulations for the Board Members' approval.

Land used for growing timber has been designated as timberland and placed in Timberland Preserve Zones. These lands are subject to county assessment and are valued according to the procedure prescribed in the law. A land owner whose land has not been included in TPZ can petition local government for inclusion. Approximately 5.6 million acres are zoned as Timberland Preserve Zone.

In accordance with law, Property Tax Rule 1025, containing new Timberland Preserve Zone value schedules, was adopted by the Board on December 11, 1979 to be effective for calendar years 1980, 1981, and 1982. A group of timberland owners felt these values were predicated on assumptions contrary to the law and took legal action (*Soper-Wheeler Co.* v. *State Board of Equalization*). In August 1980, the Sacramento Superior Court decided in favor of the timberland owners. The Board appealed that decision and on October 23, 1981, the Court of Appeal, Third Appellate District, reversed in part and affirmed in part the trial court's decision. Consequently the Board amended Property Tax Rule 1025, *Value of Timberland,* on March 31, 1982. The revised land value schedule provides lower timberland values for Sites II, III, and IV in the Pine-Mixed Conifer Region.

Since the revenue collected from the Timber Yield Tax during 1981 was inadequate to meet the 1981 statutory revenue guarantee and there was a shortfall in the May 31, 1982 payment of the second half of the fiscal year's guaranteed amount, there is a reserve rate of 5.2 percent effective on timber harvested from January 1, 1982, through December 31, 1982. The reserve rate assures that the timber tax fund is sufficient to meet the minimum revenue guarantee of the participating counties. Under the present law, 1982 is the final year for which the Board will compute the reserve rate.

Property Taxes Legislation *

During the period from July 1981 through June 1982, the Legislature augmented existing property tax statutes and constitutional provisions with numerous significant enactments. These measures may be divided into areas of specific focus as follows.

PROPOSITION 13

AB 20—Chapter 242—July 21, 1981
Applying 1977 Pre-Proposition 13 Tax Rate to Property Assessed on Unsecured Roll for 1978–79

This bill provided statutory authorization for county assessors and tax collectors to implement the ruling of the California Supreme Court, in the cases *Board of Supervisors v. Lonergan* and *Hanson v. County of Los Angeles,* that the provisions of Article XIIIA of the California Constitution were not applicable to property assessed on the 1978–79 unsecured tax roll.

AB 152—Chapter 1141—October 1, 1981
"Change in Ownership" Clarified and Ownership Change Reporting Modified

This bill clarified existing change in ownership statutes relating to trusts, certain transfers of real property among co-owners, interspousal transfers, and certain transfers of minimal fractional interests. It also made more specific the statutory provisions applicable to transfers of real property by legal entities. This bill also called for the Board of Equalization, rather than the individual counties, to send and receive change in ownership statements from legal entities. This program is being carried out in cooperation with the Franchise Tax Board.

AB 375—Chapter 239—July 20, 1981
Definition of Active Solar Energy System Amended and Exclusion of Such Systems from New Construction Clarified

Proposition 7, as approved by the voters on the November 1980 statewide ballot, authorized the Legislature to provide that newly constructed active solar energy systems would not be considered "new construction" for property tax purposes. Revenue and Taxation Code Section 73, enacted in 1980, accomplished this. This bill specifically defined "active solar energy system" for purposes of this exclusion, which does not encompass either passive solar systems or wind-driven energy systems.

SB 1211—Chapter 615—September 22, 1981
Certain Transfers Between Religious Entities Excluded from Change in Ownership

This bill amended an existing statute and excluded from change in ownership any transfer between certain corporations where transferor and transferee corporations are regulated by laws, rules, regulations or canons of the same religious denomination.

OPEN SPACE PROPERTIES

AB 2074—Chapter 1095—September 30, 1981
Changes in Cancellation Procedures for California Land Conservation Act Contracts

This bill provided a one-time "window" period during which the ability of a local agency to cancel an open-space (Williamson Act) contract was expanded. It also imposed stringent criteria that had to be met before a local agency could conclude that the requested cancellation was either consistent with the purposes of the Williamson Act or was in the public interest.

MOBILEHOMES

AB 1400—Chapter 40—February 17, 1982
Certain Mobilehomes Currently Subject to Local Property Taxation May be Eligible for Reinstatement to Vehicle License Fee Status

This measure provided that mobilehome owners whose mobilehomes have become subject to local property taxation by virtue of a delinquency in their annual vehicle license fee of 120 days or longer may petition the Department of Housing and Community Development for a reinstatement to licensed vehicle status. The bill also provided that, if reinstatement was granted by HCD, the county tax collector would refund all taxes, fees and penalties paid pursuant to local property tax laws.

PENALTY RELIEF

AB 357—Chapter 947—September 29, 1981
Penalty Provisions Modified for Taxes Administered by Board of Equalization; Procedure Modified for Certifying Yield Tax Rate

This bill allowed the Board of Equalization, in its administration of the private railroad car tax, timber yield tax and other taxes for which it is responsible, to relieve a taxpayer of the penalty imposed for failure to file a timely return or payment, provided that the failure was caused by a disaster and not by willful neglect.

EXEMPTIONS

AB 81—Chapter 542—September 17, 1981
"Religious" Exemption Created and Added to Existing Exemptions

This bill created the "religious exemption" for property used exclusively for religious purposes. This new exemption is in addition to the existing church and welfare exemptions. The purpose of this legislation was to provide a simple, one-time filing process for use by churches and churches with church schools in claiming property tax-exempt status.

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* Legislation is summarized in this Annual Report by bill number, chapter number and date signed by the Governor.

ESCAPES AND PENALTIES

AB 1521—Chapter 418—September 11, 1981
Period for Paying Escaped Assessments Extended

This bill allowed a taxpayer to pay taxes on an escaped assessment, due to other than the taxpayer's error, over an eight-year period, and prohibited the assessor from levying any penalties or interest on taxes due as a result of the escaped assessment.

AB 1710—Chapter 366—September 8, 1981
Penalties and Charges Increased

This bill increased the interest and delinquency penalty percentage rates on delinquent payments of property taxes on both the secured and unsecured rolls. The former 6 percent penalty for the initial delinquency was raised to 10 percent, while the previous additional penalty rate of 1 percent per month was changed to 1½ percent per month.

AB 2178—Chapter 462—September 11, 1981
Date of Notification Affects Statute of Limitations for Escapes

This measure provided that, for purposes of the statute of limitations, escaped assessments shall be deemed made on the date entered on the roll if the assessee is notified within 60 days after the expiration of the statute of limitations. Otherwise, escaped assessments shall be deemed made only on the date the assessee is notified.

AB 8X—Chapter 5—February 17, 1982
Interest Rates Increased on Delinquent Tax Payments Owed to the State and on Refunds Owed by the State

This legislation raised the interest rate on delinquent tax payments owed to the state, including the private railroad car tax and the timber yield tax, and also on refunds owed by the state to taxpayers, to a uniform 18 percent per annum until December 31, 1982. After this date, the rate will be the adjusted prime rate charged by banks during the month of September.

DISASTER RELIEF

SB 139—Chapter 377—September 8, 1981
Disaster Relief Assessment Procedures Revised

This bill revised the valuation procedures for taxable property stricken by disaster or calamity and located in a county having a proper disaster relief ordinance. It provided for tax relief under certain conditions in the assessment years following a disaster or calamity.

AB 235—Chapter 69—March 1, 1982
Filing Procedure for Disaster Relief Revised

This bill allowed the county assessor, for the 1981–82 fiscal year and thereafter and with the approval of his board of supervisors, to reassess a property stricken by a calamity or disaster even if no application for reassessment has been submitted, provided that the assessor determined that the disaster or calamity occurred within the preceding six months.

MISCELLANEOUS

AB 662—Chapter 24—February 5, 1982
Public Retirement Systems Required to Reimburse "Lost" Tax Dollars

Real property, when acquired by a public retirement system and located within the boundaries of the local government of which the retirement system is a part, becomes exempt from property taxation. This measure requires such public retirement systems to pay the city or county annually the difference between the real property secured taxes that would have been due without regard to the transfer of ownership to a tax-exempt entity and the possessory interest unsecured taxes, if any, paid for that property.

SB 241—Chapter 261—August 25, 1981
Various Technical Errors and Incorrect References Purged from Property Tax Statutes

The Board of Equalization sponsored this legislation as a "housekeeping" bill aimed at improving the internal consistency of various code sections. This measure was also significant for two other changes it made to existing law, one involving the correction of certain errors on the assessment roll and the other authorizing the assessor to assess taxable property on the secured roll to its new owner when it changes ownership after the lien date.

AB 396—Chapter 1132—October 2, 1981
Schedule Revised for Filing, Processing, and Hearing Petitions for Reassessment of Certain State-Assessed Property

This Board-sponsored bill improved hearing procedures by increasing the time allowed for meeting statutory requirements of these procedures. This completely revised timetable is much more satisfactory to both Board staff and state assessees, such as private railroad car owners and publicly owned utilities. This bill also authorized the Board, under certain conditions, to waive penalties for good cause for failure to file timely the property report required of private railroad car assessees.

V. ECONOMIC ANALYSIS

Economic Summary

The general state of the economy of both California and the nation was deteriorating as the fiscal year began and the course it followed throughout the year tended downward. There were some signs of optimism as inflation was brought under control and the growth in interest rates was slowed. But these gains were achieved at an enormous price as the Federal Reserve Board tightened its control over the money supply, forcing a continuation of high interest rates and unemployment climbed to its highest levels since World War II.

During the 1980 campaign, Ronald Reagan had pledged to reduce the federal tax burden, to cut back on government expenditures, and to balance the federal budget. Congress gave him the opportunity last year when it overwhelmingly approved his Economic Recovery Act of 1981 to stimulate the economy. His persuasive television appeal to the American people gained their support for his controversial economic program. Its major feature to most people was income tax reduction to be spread over three years, 5 percent the first year and 10 percent in each of the next two fiscal years. Another feature of the package was accelerated depreciation writeoff for new business investments. Those who advocated this economic package argued that it would reduce the rate of federal spending and the growth of the money supply while making deep cumulative cuts in tax rates over the three-year period. Proponents felt strongly that reductions in federal taxes would stimulate the economy. The success of the President's plan depended on a mixture of fiscal and monetary policies that encourage saving and promote the productive capacity of American manufacturing and enterprise. The administration counted on taxpayers saving (investing) the incremental pay received from income tax reductions. Administration economists believed that reductions in federal taxes would stimulate the economy.

The program the President proposed is based on what is propularly called supply-side economics. To "supply-siders" the basic cause of our nation's economic problems—high inflation, relatively high unemployment, and low productivity—is high taxes. They believe that cuts in federal taxes will stimulate the economy. To supply-side advocates these problems exist because our nation's economic policies since the 1930s have been based to a large extent on the economic theories of John Maynard Keynes, a British economist, who believed that a government could manage its economy to achieve a balance between economic growth, full employment, and inflation by means of adjusting taxes and federal spending. For several decades Keynes' theories seemed to work. However, as the nation has been buffeted for several years by the twin adversities of inflation and unemployment, Keynesian theory has become discredited. The measures Keynes recommended for stimulating an economy plagued by these afflictions have failed. Something must be basically wrong with the established laws of supply and demand when prices keep rising in both good times and bad times, regardless of whether demand is weak or strong. Financing budgetary deficits in order to bolster the economy, we have learned, instead of curing inflation, feeds it and may even cause it. Since Keynes' theories can neither explain these changing economic conditions nor suggest measures to alleviate them, his theories have fallen into disfavor.

To encourage saving, the President's Economic Recovery Act rewards savings. Tax-free all-savers certificates were offered by banks, savings and loan associations, and credit unions effective October 1. Interest of up to $1,000 for an individual or $2,000 for a couple filing a joint return is exempt from federal income tax on certificates purchased between October 1, 1981 and December 31, 1982. The interest rate on the certificates is set at 70 percent of the average investment yield on one-year U.S. Treasury bills. The rate of interest on the first such certificate offered in September was 12.61 percent. A surge in savings, it was surmised, might reduce the sales of autos and other big-ticket items. A study by the Department of Commerce indicates an inverse relationship between the rate of personal saving and sales of new autos. As the rate of saving climbs, sales of new autos drop. This trend was evident during the year. The rate of saving jumped a full percentage point, to 7.5 percent from 6.5 percent of disposable (after-tax) personal income in the fall quarter, immediately after the income tax cut, while auto sales at the start of the new model year fell 12.8 percent below the level in the fourth quarter of 1980. The savings rate gained strength through the fiscal year and sales of new autos remained weak.

Despite his political success in pushing through Congress the largest tax cuts ever enacted in the history of our nation, the President failed to sell his program to the financial community. Wall Street responded negatively even though the program was designed to favor business and financial interests. Financial markets evidently doubted that Mr. Reagan would ever balance the budget, a requisite for easing the demand for credit which has kept interest rates high. The securities markets' lack of confidence in the new economic policies was manifest also in the falling prices of stocks and low prices of bonds.

The economy limped along through the fall and winter, and then in the spring, a small rise in the gross national product surprised many economists and induced some of them to predict that the recession had bottomed out. The upturn was brought about by somewhat stronger retail sales in April and May, but June's performance was disappointing.

Faced with budgetary deficits that threatened to shackle the economy for years, the President returned to television in August 1982 to tell the people why taxes must be raised. The federal tax bill promoted by the administration and subsequently approved by Congress is estimated to raise $98.3 billion over the next three years, offsetting about one-quarter of the tax cut approved one year earlier.

The bill affects state and federal tax administration and touches several types of taxes. State tax departments will be required to notify the Internal Revenue Service of the amounts of state income tax refunds issued to taxpayers. Financial institutions must withhold 10 percent on large payments of interest or dividends. Reporting of tips received by waiters and waitresses will be tightened. The federal cigarette tax is doubled, from 8 to 16 cents per pack. The tax on telephone services will be raised from 1 to 3 percent. Certain depreciation provisions for corporate income taxes have also been repealed. A number of other minor tax changes were made. Federal expenditures would be reduced by more than $15 billion.

The President's appeal instilled immediate confidence in the financial world. Stock and bond prices surged forward and the volume traded soared to new records as interest rates were falling. Interest rates had begun to drop early in July after the Federal Reserve Board began to ease its credit policy. The discount rate was cut in three steps, from 12 percent to 10.5 percent, within a month. Several leading market analysts predicted a lowering of interest rates, and believing that forecast, buyers went on a spree and the market surged in one of the biggest rallies in Wall Street history.

Economic Yardsticks

The government mills grind out a variety of statistics to monitor the pulse of the economy. The movements of a number of series, such as the unemployment rate, the gross national product, the consumer price index, the prime interest rate, the index of leading economic indicators, personal income, factory output, inventories, retail sales, auto sales, home sales, housing starts, capital spending, and consumer credit are scrutinized by analysts searching for clues to the direction the economy is headed. The numbers may be preliminary, subject to later revision, but economic and financial analysts struggle to detect even the slightest sign that can be interpreted optimistically. Some economic indexes are actually misleading. Too much is read into the figures that turn out to be highly tentative and subject to more than one revision.

The monthly Consumer Price Index prepared by the Bureau of Labor Statistics is frequently referred to as a cost-of-living index, although technically it is not, because it does not make allowance for income taxes and Social Security taxes. Nevertheless, it is accepted as a measure of changes in the cost of living because it comes closer than any other statistic to measuring this.

Marked progress in reducing the rate of inflation during the fiscal year has been achieved. The national Consumer Price Index spurted upward at the start of the year and then began to level off, bringing the growth rate down nearly 4 percentage points, to a year-to-year increase of 7.1 percent in June. California's Consumer Price Index followed the same trend —a reduction of 4 percentage points in the growth rate—but ended up 9.3 percent higher than in June 1981. Inflation was checked by the Federal Reserve Board's determination to restrict the growth of the money supply.

The composition and the computation of the Consumer Price Index have been criticized for several years because the Index weights housing costs too heavily. Thus, it exaggerates the increases in the CPI when interest rates are high, as they have been for several years, and it would yield an understatement when interest rates are low. This defect will be corrected in 1983 when "rental equivalence" will be substituted for homeowners' costs. Another fundamental criticism is that the "market basket" made up of 400 items of goods and services priced monthly by the Bureau of Labor Statistics is outdated. The current market basket is based on surveys of consumer purchasing habits conducted in 1972 and 1973. Since then, several years of severe inflation altered consumer buying habits significantly. Shifts in buying patterns are readily apparent in the depressed level of sales of new homes and new automobiles and in the reduction in gasoline consumption. Also, the CPI can neither measure nor account for changes in quality over a period of time. Over the years, most goods and services have improved in quality. It is difficult to place a dollar value on the improvements made in quality.

The monthly unemployment rate prepared by the Department of Labor is suspect because it is one of the most political of all economic indicators. While inflation eased during the fiscal year, unemployment

Although California's rate of inflation slowed during the year, the Consumer Price Index rose 9.3 percent.

deepened to 9.5 percent of the civilian labor force in both California and the United States. Subsequently, for July and August, the rates rose to 9.8 percent. Many feel that higher unemployment is the bitter price that must be paid in order to bring inflation under control.

A major criticism leveled against the unemployment rate is that in addition to the 9.5 million who were unemployed nationwide in June, there were an estimated 1.5 million who had given up looking for work and consequently were no longer counted as part of the labor force. While these "discouraged workers" are excluded from the statistics, there is an unknown number which might offset some of them: the rapidly growing number of persons engaged in the underground economy—gainful activities both legal and illegal—which are not reported at all.

The monthly composite index of leading economic indicators prepared by the Department of Commerce assumes greater importance in periods of economic uncertainty. This index includes measures of employment, production, consumption, and investment which are sensitive to change. Generally, three consecutive monthly decreases precede a recession while three such increases indicate an upturn. Since March this index has been inching upward but the increases have been so small that they may not be indicative of economic improvement. An increase of 1.3 percent recorded for the month of July, however, may foretell an upturn.

The precarious nature of this index and the pitfalls inherent in reliance upon it are illustrated emphatically by the numbers for July 1981. As first released, the index was slightly negative in comparison to June. When August and then September numbers turned out to be negative, the July index was revised making it a positive number. Not until February was the July index revised to the extent that it showed a decline from June. Obviously, anyone relying on the rule that three consecutive monthly decreases give a premonition of a recession would be misled. The tenuous nature of this index is borne out by the fact that from August 1981, when the July index was first printed, through July 1982, the number was revised ten times. Since February, however, the revisions for July have maintained negative relationship to the numbers for June.

The Gross National Product, the broadest measure of the total value of goods and services produced for use at home and abroad, is another index with drawbacks. This is a quarterly index prepared by the Commerce Department which is also subject to several revisions. Revisions at times reverse the direction of the GNP from positive to negative or negative to positive as, for example, the summer quarter of last year when it swung from - 0.6 percent to +0.6 percent and a month later was pegged at +1.4 percent (seasonally-adjusted annual rate). Subsequently the entire series was revised and this number was pushed to 2.2. In the course of the fiscal year, GNP growth dropped from a rate of 2.2 percent in the summer of 1981 to −5.3 in the fall and −5.1 in the winter before the trend was reversed in the spring, and it moved upward at an annual rate of 2.1 percent. The Gross National Product apparently is characterized by wide fluctuations which undermine its value as a predictive instrument.

The four major components of GNP are consumer spending, which accounts for about two-thirds of the total; private investment, including that for housing, plant and equipment, and inventories; governmental spending—federal, state, and local; and the difference between imports and exports of goods and services. Fluctuations in inventories and exports may distort GNP. Inventory accumulation may boost it, and create an optimistic outlook during an economic downturn. In the case of automobiles, if vehicles are stockpiled in anticipation of rising sales and sales fail to meet expectations, the movement of the index must be interpreted cautiously, balancing the two trends which are counter to each other.

Petroleum Developments

At the beginning of the fiscal year, inventories of crude oil throughout the world had become excessive. The world demand for petroleum and its byproducts was diminishing as a result of conservation measures, widespread recession in Europe and America, and high prices. The oil ministers of the Organization of Petroleum Exporting Countries (OPEC) had met in Geneva in May 1981 and debated reductions in production and in price ceilings of crude oil. They failed to reach a consensus to limit production, because Saudi Arabia, OPEC's largest producer, refused to cut back on production unless the others agreed to reduce their prices. They did agree, however, to freeze the ceiling price of crude oil at $36 a barrel until the end of 1981, the same maximum they had set in December 1980.

OPEC's pricing structure was immediately thrown into turmoil as oil companies pressured oil-producing countries to reduce their prices. Several countries were induced either to reduce prices or cancel surcharges on premium-grade light crude oil by as much as $5 a barrel.

Because the world market for petroleum continued to deteriorate, OPEC's oil ministers again assembled in Geneva in August. The session turned out to be their stormiest. Most of the ministers wanted to increase prices and decrease production. The Saudis, however, were determined to hold the line on prices in view of market conditions, but, under pressure, they agreed to raise their price from $32 to $34 a barrel and to reduce their production by a million barrels a day with the promise from the other OPEC nations that they would reduce their prices by $3 a barrel. The session ended without an agreement. The lack of uniformity in pricing and production impelled OPEC representatives to convene again at the end of October. At that time Saudi Arabia prevailed, as OPEC compromised on a base price of $34 a barrel and a maximum surcharge of $4 a barrel for premium crude. The new price was to take effect November 1, and was estimated to increase the average price per barrel of OPEC crude oil by $1 to $2. The price of domestic crude was also expected to rise because it is linked to the price of Saudi crude oil. OPEC froze the price at the new level through calendar year 1982. In December, OPEC's oil ministers met in Abu Dhabi, capital of the United Arab Emirates, and reduced the price of heavy crude oil by as much as 70 cents a barrel. Their action acknowledged that demand for this type of crude which yields large quantities of fuel oil for generating electricity and for other industrial purposes had dropped off sharply during the recession in Europe and the United States.

OPEC has to contend not only with excessive inventories and worldwide deteriorating economic conditions but also with competition from non-OPEC nations, such as Great Britain and Norway, which undercut OPEC's prices, reducing the demand for its oil.

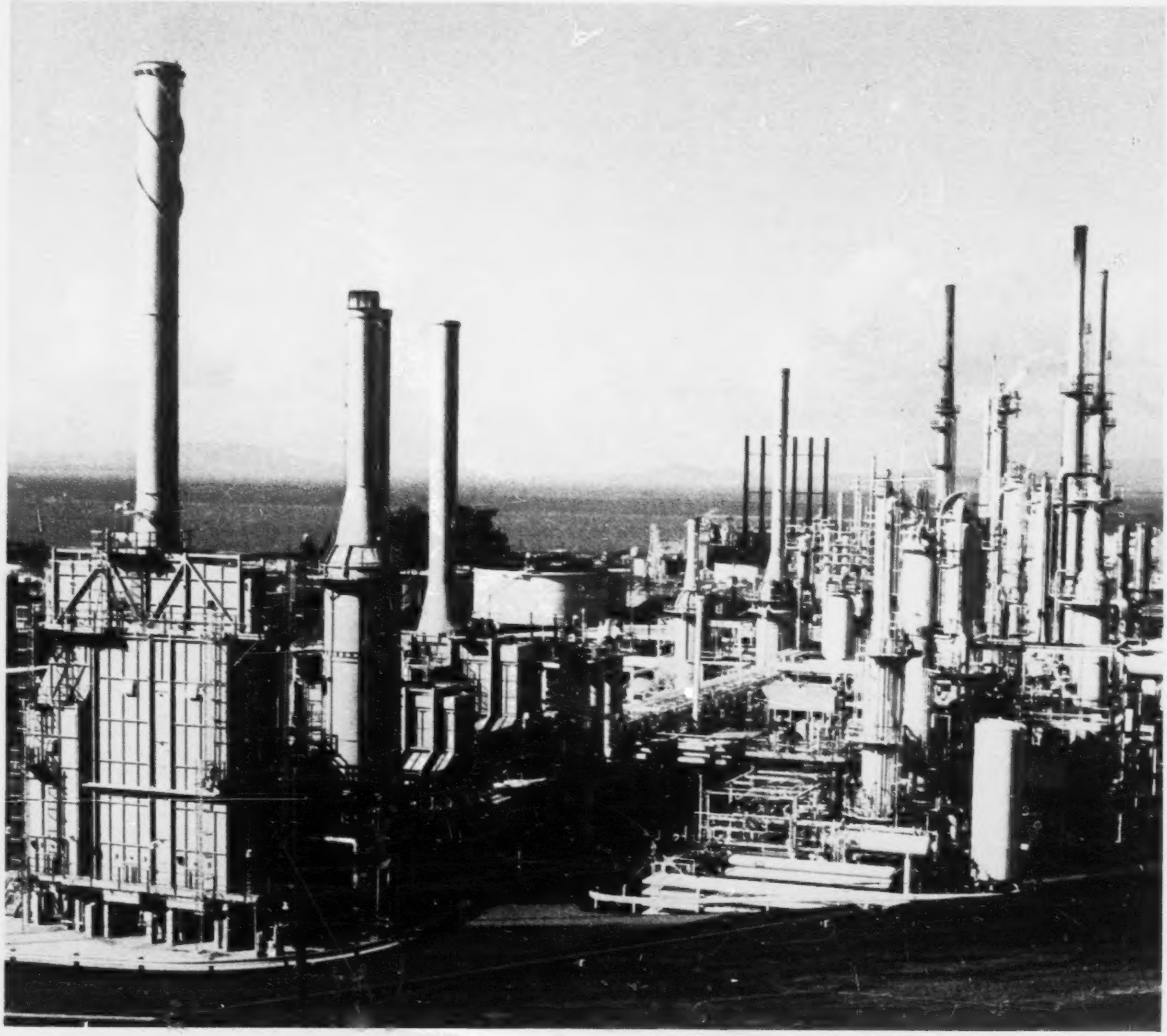
OPEC's oil ministers had hardly returned home from Abu Dhabi before their nations began to break ranks with OPEC price ceilings. First Libya cut its price by 50 cents a barrel effective January 1. In early

February Egypt slashed its price by as much as $1.85 a barrel and then Iran cut its price by $1 a barrel. Outside of OPEC, Mexico reduced its price on exported oil by an average of $2 a barrel and Great Britain and Norway cut the price by $1.50 a barrel, lowering it to $31 a barrel for high-grade crude.

In the midst of this instability OPEC's oil ministers convened again in an extraordinary session in Vienna in mid-March. The 13 members agreed to limit crude oil production to 17.5 million barrels a day starting April 1 and they continued to affirm a base price of $34 a barrel. This marked the first time that OPEC ministers allocated individual production shares to its members as they sought to limit the world's supply of crude oil.

Personal Income: Sources and Disposition

Personal income of Californians, which includes wages, salaries, rent, stock dividends, and interest minus Social Security payments, was estimated at an annual rate of $314 billion as the fiscal year closed, up 9.5 percent from the same period of 1981. Overall growth in both personal income and taxable sales was



Oil inventories were up during 1981–82 as gasoline consumption declined for the third consecutive year. For the first time, diesel fuel usage also decreased.

quite similar, averaging 12 percent and 13.5 percent, respectively, per year during the 1970s, although taxable sales displayed greater variation from year to year. During 1980 and 1981, however, growth in personal income outstripped the increase in taxable sales.

Excluding the early 1970s, when gasoline was not subject to sales tax, the proportion of personal income devoted to taxable sales in the 1970s rose three percentage points from 54.8 to 57.8 percent. The trend was reversed in 1980 and 1981 as the ratio dropped to 55.3 and 53.1 percent, respectively, and the comparison is even more adverse for the first two quarters of 1982 when personal income was up 10.6 percent and taxable sales registered no growth at all.

As Californians are spending a smaller proportion of their income on merchandise subject to sales tax, it would be interesting to know how their spending habits have been altered. Over the years they have saved a smaller proportion of their earnings. The rate of personal saving for 1981 was 6.4 percent of disposable (after-tax) personal income. This rate is well below historic levels of 7 to 8 percent which prevailed through the mid-1970s. However, in the first two quarters of 1982, the rate rose to 6.6 and then 6.9 percent, indicating an upturn in personal savings.

Since the proportion of personal income both saved and spent on taxable merchandise have been reduced, people evidently are changing the ways in which they allocate their income. This conclusion is supported by evidence indicating that the "underground economy"—gainful activities that are neither reported nor taxed—amounts to at least 10 percent of the nation's reported gross national product and may account for twice that amount. Some underground activities such as gambling, drugs, and prostitution are illegal. By far the larger number participating in the underground economy, however, are engaged in legal activities but deliberately do not report their entire income to governmental agencies. Underground activities has always existed. In recent years, however, the incentive to engage in this sector of the economy has been heightened by high inflation rates and increasing taxes. Furthermore, motivated as it is by these considerations, this segment of the economy is estimated to be expanding at two to three times the rate of the GNP.

Studies of the underground sector of the economy present grave implications for the economy as a whole. First, the national economy is substantially larger than federal statistics indicate. Furthermore, if subterranean activities are growing at a faster rate than the legal economy, the government's statistics become increasingly misleading. The rate of unemployment may be overstated because statistics are collected from a survey of households. Respondents engaged in unreported employment may contribute to an overstatement of unemployment by not reporting it. As a result, federal spending tied into official unemployment rates may require the government to pay more for unemployment-related programs than warranted.

A surge in the rate of personal savings followed the 1981 federal tax cut and the introduction of tax-free all-savers certificates.

The size of California's underground economy is of pressing importance to us. Our state has 10.5 percent of the nation's population and 12.2 percent of its personal income. A conservative guess would give California 15 percent or a minimum of $50 billion and as much as $75 billion a year of the country's underground activity. This segment of the economy may be placed in perspective by considering that personal income in the state is running $300 billion a year.

Revenues Advance Modestly

Tax programs administered by the Board of Equalization produced state and local revenues totaling $11,596,865,000 during fiscal 1981–82. Levies from each tax are presented in the text table on page 44; additional detail and historical comparisons are given in Appendix Table 2. Aggregate revenues increased 7.0 percent during the fiscal year. Per capita revenue in current-value dollars totaled $475, up $23 from the revised figure of $452 for 1980–82. Converted to dollars of constant value, adjusted for an average increase of 10.9 percent in the California Consumer Price Index, per capita revenue actually declined by $24, from $452 to $428. (See page 10 for comparisons of the major sources of state revenue.)

The combination of all state and local sales and use taxes produced $9,838,734,000 in revenue, a fiscal year increase of 7.8 percent. The state's sales tax at 4.75 percent grossed $7,689,139,000, an increase of 7.8

percent. By a small margin sales and use taxes edged the state's personal income tax as California's largest single source of revenue. Weakness in taxable sales is camouflaged by the apparent sales gains which gave rise to higher revenues. Taxable sales actually remained in the doldrums throughout the year duplicating the pattern of the two preceding fiscal years. Expressed in dollars of constant value, taxable sales performance was negative every quarter and worsened as the year wore on.

The Board collected $2,149,147,000 in sales and transactions taxes for other governmental agencies—cities, counties, and transit districts. (Details in Appendix Tables 21A and 21B.) Transit district taxes at the rate of one-half of 1 percent were levied in five counties: Alameda, Contra Costa, San Francisco, Santa Clara, and Santa Cruz, and starting July 1, 1982 the tax is effective in two more counties: Los Angeles and San Mateo.

The state's fuel taxes aggregated $852,813,000 during 1981–82, 1.9 percent less than they yielded in 1980–81. This marked the third successive decline, following decreases of 3.4 percent in 1979–80 and 1.3 percent in 1980–81. Gasoline tax receipts of $770,628,000 at 7 cents per gallon were down 2.1 percent. Consumption of 11.0 billion gallons of gasoline was 1.5 percent less than in 1980–81. While the consumption of gasoline has declined for three fiscal years, this marked the first year that diesel fuel consumption decreased. Distributions totaling 1.177 billion gallons declined by two-tenths of 1 percent. The state's excise tax of 7 cents per gallon on diesel fuel produced $81,773,000. (Historical data and assessments are presented in Appendix Tables 23–25.)

The state's excise tax of 10 cents per pack on cigarettes produced $276,824,000 in accrued revenue. Expressing such revenue on a cash basis to avoid the distortions incurred by the inclusion of accrued monies in the total, (revisions in our accounting procedures were explained briefly in our Annual Report for 1979–80) the revenue increased by 0.5 percent over the prior year. Distributions of 2,786,000,000

COMPARISON OF REVENUES
1980–81 and 1981–82
(in thousands of dollars)

Revenue Source	*1980–81*	*1981–82*	*Percent Change*
Sales and Use Taxes			
State tax (4¾%)	$7,131,482 [r]	$7,689,136	7.8
City and county sales tax (1%)	1,487,949	1,602,661	7.7
County transportation tax (¼ of 1%)	371,864	401,035	7.8
Transit district taxes (½ of 1%)			
San Francisco Bay Area [1]	80,588	88,625	10.0
Santa Clara County	45,702	51,529	12.7
Santa Cruz County	4,887	5,258	7.6
Other taxes and fees	460	487	5.9
TOTALS	$9,122,932	$9,838,734	$7.8
Fuel taxes and fees			
Gasoline and jet fuel	787,997 [r]	771,488	−2.1
Diesel and other use fuel	81,669 [r]	81,325	−0.4
TOTALS	$869,666	$852,813	−1.9
Alcoholic beverages taxes	142,860	139,524	−2.3
Cigarette tax	278,161	276,824	−0.5
Electrical energy surcharge	23,813	30,994	30.1
Emergency telephone users' surcharge	15,760	20,052	27.2
Hazardous waste control tax	–	1,387	–
Hazardous substance tax	–	2,068	–
Local taxes on state assessed properties [2]	362,505	406,536	12.1
Timber yield tax	17,241	14,445	−16.2
Timber reserve fund tax	857	8,634	907.5
Private car tax (railroad cars)	8,301	4,854	−41.5
GRAND TOTALS	$10,842,100 [r]	$11,596,865	7.0

[1] Metropolitan Transportation Commission revenues have been included on this line. Interest is accrued on MTC monies until they are allocated. Interest amounted to $3,031,562 in 1980–81 and $4,115,677 in 1981–82. Additional details are given in appendix Table 22, footnote [m].

[2] Collected by county tax collectors.

[r] Revised.

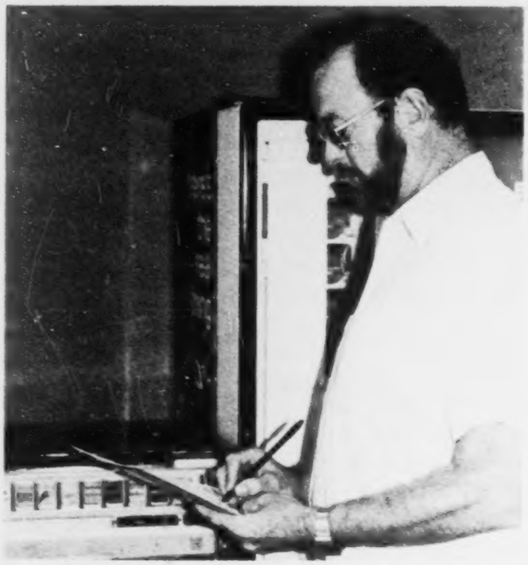
packs of tax-paid cigarettes on an accrual basis were up the same as revenue. Per capita consumption, however, decreased slightly from 121.4 to 119.7 packs per year. (See Appendix Tables 30A and 30B for additional data.)

Alcoholic beverages taxed by the state at rates ranging from 1 cent to $2 per gallon produced $139,524,000, down 2.3 percent from 1980–81. Distilled spirits, representing $111,193,000 of this amount, declined by 3.5 percent. Total distributions of 56,073,000 gallons of liquor on an accrual basis were 2.5 percent lower and per capita consumption moved downward from 2.40 to 2.30 gallons. Beer and wine excise tax collections of $28,331,000 surpassed 1980–81 totals by 2.4 percent. Per capita consumption of beer followed the trend of distilled spirits, decreasing from 25.45 to 25.01 gallons per person. The use of wine on the other hand continued its long historical trend by increasing from 4.41 to 4.50 gallons per capita. (See Appendix Tables 27–29 for historical data.)

The electrical energy surcharge levied on the use of electricity in California produced $30,994,000 during the fiscal year, 30.1 percent more than in 1980–81. The rate, which is adjusted to provide the fund budgeted for the State Energy Resources Conservation and Development Commission, was raised on September 1, 1981 to $0.00020, (two-tenths of a mill) per kilowatt hour, the maximum allowed by law.

The Emergency Telephone Users Surcharge, a levy to fund the 911 statewide emergency telephone number system, produced $20,052,000. This tax is levied at the rate of one-half of 1 percent on bills for intrastate telephone and communications services. This rate was made effective by the provisions of Senate Bill 1180, Chapter 906, 1979, until November 1, 1982 and the Board has extended the same rate.

The Timber Yield Tax shrank to $14,445,000, down 16.2 percent from the amount in 1980–81. This marked the third successive cutback of this tax from a high of $42,518,000 in 1978–79. The timber industry has been languishing since then as demand for new housing was weakened by high mortgage rates. The timber yield tax rate of 2.9 percent was levied on all timber harvested in the state. Initiated in 1977–78, this tax replaced the former ad valorem levy on standing timber administered by county assessors. The revenue collected by the state is reserved in its entirety for allocation to counties and does not augment the state's revenues. During the 1981 calendar year, an additional 1.7 percent was levied for the timber reserve fund and this rate was raised to 5.2 percent for calendar 1982. The additional levy was required to enable the state to meet its fiscal obligations to the timber counties. This revenue guarantee expires at the end of 1982.



Business Taxes Representative Tom Nickerson of the Redding office inspects a cigarette vending machine for seller's permit number.

Taxable Sales Slacken

Transactions in California subject to the state's sales and use tax totaled $155.1 billion during fiscal 1981–82. The increase in current-value dollars was 4.0 percent, but after adjustment for price increases which averaged 10.9 for the fiscal year gauged by the California Consumer Price Index, the volume of taxable sales declined by 6.2 percent from that of 1980–81. This was the third consecutive fiscal year reduction in sales volume, following declines of 1.4 percent in 1979–80 and 3.2 percent in 1980–81. The increase in taxable sales was reduced in each successive quarter of the fiscal year in both actual and constant-value dollars. The rate of inflation was also declining as the fiscal year drew to a close; however, goods and services which had cost a consumer $100 in 1967 cost $289.50 during fiscal 1981–82.

Per capita consumption of beer and distilled liquor was down, but wine sales continued to climb. Revenue from alcoholic beverage taxes declined.

TAXABLE SALES COMPARISONS BY QUARTER, 1981–82

1981–82	*Taxable Transactions*		*Percent Change from Prior Fiscal Year*		
	Amount	*Percent of Total*	*Actual Dollars*	*Constant Value Dollars*	*California Consumers' Price Index*
July–September	$39,446,452,000	25.4	10.5	−1.4	12.1
October–December	40,951,114,000	26.4	5.6	−6.0	12.4
January–March	36,217,393,000	23.4	2.1	−7.6	10.5
April–June	38,509,242,000	24.8	−1.9	−9.9	8.9
Fiscal Year	$155,124,201,000	100.0	4.0	−6.2	10.9

In the final fiscal quarter, sales decreases were prevalent as 50 of the state's 58 counties recorded year-to-year declines. Sales diminished despite the infusion of about $7 billion into our economy from state and federal personal income tax refunds during the first six months of 1982.

An increase of merely 4.0 percent in taxable sales seems inconsistent with the increase of 7.8 percent in state sales tax as stated in the preceding section of this chapter. The divergence occurs because the time period covered by each of these sets of statistics is different. The sales tax is based on collections from July 1, 1981 through June 30, 1982. Taxable sales are based on transactions which occurred between those same dates; however, tax returns reporting such sales were filed between August 7, 1981 and August 5, 1982. Sales data therefore portray the actual level of sales during the fiscal year. Tax data, on the other hand, are based on sales which took place in two fiscal years: a portion of the final quarter (spring) of the preceding fiscal year and the first three quarters and a portion of the final quarter of the current year.

When business conditions are stable, movements of these two statistics will be similar regardless of the time lag. However, when sales are volatile, the comparisons can differ widely as the current figures show. The disparity has occurred primarily because taxable sales of $39,255,344,000 in the spring of 1981 were stronger than any other quarter of fiscal 1980–81, up 12.3 percent from a year earlier. During the spring of 1982, growth in taxable sales dropped to its lowest level of fiscal 1981–82, falling 1.9 percent below the level of a year earlier. The revenue impact of this depressed sales level is reducing revenue in fiscal 1982–83.

Retail stores registered taxable sales of $101,744,593,000 for the fiscal year, an increase of merely 3.7 percent. (See Appendix Table 19 for detail by type of business.) The sales volume adjusted for price increases was 6.5 percent less than that for 1980–81. Taxable transactions of business and personal services concerns, whose tax is based primarily on materials and parts used in service and repairs because repair labor is tax-exempt, totaled $5,947,062,000, up 7.7 percent. "All Other Outlets"—primarily manufacturers, wholesalers, construction contractors, itinerant vendors, and part-time permittees regardless of type of business, recorded taxable transactions of $47,432,546,000, up 4.1 percent for the fiscal year.

Some shifts occurred in the market place during the period under study. Service stations for the third consecutive fiscal year reported a larger sales volume than any other class of business ($15.1 billion). Sales of department stores ($12.43 billion) surpassed those of new car dealers for the second time since the recession of 1974–75. Sales of restaurants and bars ($13.0 billion) also exceeded those of new car dealers.

New car dealers, the pillar for durables, reported taxable sales of $12,426,982,000, up 6.7 percent from 1980–81. The increase in prices was roughly the same as the increase in sales volume, so in terms of constant-value dollars their business was unchanged. Private-party sales of used vehicles aggregated $2,588,068,000 in taxable transactions, up 9.4 percent for the fiscal year.

Registration of 1,066,895 new autos and trucks was down 6.6 percent from fiscal year 1980–81. Trucks declined less than autos. This was the fourth straight fiscal year decrease. New registrations were down 2.7 percent from fiscal 1977–78. New car registrations totaling 866,304 were 7.4 lower than in fiscal 1980–81, while registrations of new trucks at 200,591 were off only 3.0 percent. The total number of autos and trucks registered in California was 15,670,851 as the fiscal year ended, 1.0 percent more than in June 1981.

To achieve their sales level required concessions by auto manufacturers and dealers. Sales incentives were offered during a large part of the model year. After short-term sales incentives expired in April 1981, sales of new vehicles dropped sharply throughout the nation. Sales remained low until incentives were reinstated in July. At that time General Motors began to subsidize consumer financing rates, reducing them to several points below prevailing interest rates. Ford then offered dealer incentives of up to $1,000 per vehicle and Chrysler offered direct cash rebates.

Auto sales suffered in the fourth quarter from overselling in August and September when manufacturers and dealers offered numerous incentives to promote sales. This was the poorest fourth quarter since 1974 and it was the smallest number for any quarter since the first quarter of 1975. Rebates and reductions in financing costs failed to stimulate sales activity appreciably during the quarter. The novelty of rebates and other promotional devices may have reached their limit.

Inventories of new domestic cars were bulging as the winter quarter began. To move them, manufacturers once again offered incentives. General Motors publicized a sweepstakes to draw customers to test-drive its cars. Rebates were reinstated requiring participation by both manufacturers and dealers. The sweepstakes failed to attract the number of customers anticipated and the rebates also fell short of expectations.

Only two auto assembly plants were operating in California as the fiscal year ended—Ford in Milpitas and General Motors in Van Nuys. By late fall, Ford announced that the Milpitas plant would be shut down permanently. Two years ago the Ford Motor Company closed its Pico Rivera plant. In April 1982 General Motors closed its assembly plants in Fremont and South Gate releasing a total of more than 5,000 workers. The Mack Truck plant in Hayward was also shut down permanently in April, dismissing 1,400 workers.

Service stations for the third consecutive fiscal year attracted a larger share of taxable transactions than any other class of business, grossing $15,194,061,000 although the total was 5.9 percent less than that for 1980–81.

Gasoline distributions of 11,015,230,000 gallons were down 1.5 percent as motorists continuously reduced their consumption of gasoline, but the purchase price, estimated at $13,979,849,000, was up 2.0 percent. During the year the average price per gallon dropped from $1.308 to $1.200 excluding sales taxes, and averaged $1.277 during the fiscal year, 4.3 percent higher than the average price of $1.225 in 1980–81.

Consumption of diesel fuel totaling 1,177,624,000 gallons followed the trend set by gasoline and diminished by two-tenths of 1 percent, marking the first such decrease since 1974–75. The combined usage of gasoline and diesel fuel, 12,192,853,000 gallons, was 1.4 percent less than in 1980–81.

Department and dry goods stores as a class of business remained in second rank in taxable sales volume with $12,434,355,000. Their growth of 6.3 percent was approximately the same as the increase in prices of general merchandise, as this type of business weathered the ravages of inflation.

The weakest segment of retail merchandising throughout the year was the building materials group. Its taxable transactions of $5,330,818,000 were 13.1 percent less than in 1980–81 which, in turn, were 1.7 percent less than the preceding fiscal year. Lumber and building materials dealers were hit the hardest with a decrease of 17.8 percent from their depressed level in 1980–81. Construction contractors and related types of business aggregated taxable transactions of $7,660,207,000, down 7.0 percent from their 1980–81 level.

As the fiscal year closed, the number of permits issued for residential housing units was running at an annual rate of about 100,000 but for fiscal 1981–82, the total number was only 75,000, their lowest level since 1966. The need for housing in California is generally estimated to be three times this number. Consequently there must be a large pent up demand for housing which will open when mortgage rates are reduced to levels attractive to buyers. Commercial and industrial construction leveled off at $8.3 billion for the fiscal year, a mere 0.8 percent higher than 1980–81.

As fiscal 1981–82 drew to a close and a new fiscal year began, if the economy and its retail segment could be characterized by a single word, it would be uncertainty. Nationally retail sales in July were up 1.0 percent. Following a decrease of 3.3 percent in June,

REGISTRATIONS OF NEW MOTOR VEHICLES COMPARED TO TAXABLE SALES OF NEW CAR DEALERS, 1981–82

	Registrations						*Taxable Sales of New Car Dealers*	
	Automobiles		*Trucks*		*Total*			
1981–82	*Number*	*Percent Change Year to Year*	*Number*	*Percent Change Year to Year*	*Number*	*Percent Change Year to Year*	*Amount*	*Percent Change Year to Year*
July–September	232,150	6.3	52,557	−9.4	284,707	3.0	$3,221,281,000	14.5
October–December	200,672	−12.8	43,748	−9.1	244,420	−12.1	2,801,576,000	6.9
January–March	204,302	−14.0	47,362	−0.4	251,664	−11.7	3,063,582,000	−0.6
April–June	229,180	−8.2	56,924	7.3	286,104	−5.5	3,340,543,000	6.8
Fiscal Year	866,304	−7.4	200,591	−3.0	1,066,895	−6.6	12,426,982,000	6.7

TAXABLE TRANSACTIONS OF SERVICE STATIONS COMPARED TO GASOLINE DISTRIBUTIONS, BY QUARTER, 1981–82

	Service Stations: Taxable Transactions		*GASOLINE DISTRIBUTIONS*			
			Gallonage		*Estimated Expenditure*	
	Amount	*% Change Yr/Yr*	*Amount*	*% Change Yr/Yr*	*Amount*	*% Change Yr/Yr*
July–September	$4,275,052,000	7.7	2,817,352,000	−2.6	$3,685,096,000	7.0
October–December	3,839,970,000	−2.4	2,754,455,000	0.7	3,602,827,000	12.0
January–March	3,551,982,000	−9.7	2,663,640,000	−0.8	3,356,186,000	0.5
April–June	3,437,057,000	−18.4	2,779,783,000	−3.2	3,335,740,000	−10.0
FISCAL YEAR	$15,104,061,000	−5.9	11,015,230,000	−1.5	$13,979,849,000	2.0

July looked good. Analysts looked forward to an upturn, in part because Social Security increases and personal income tax reductions began to pump an additional $3.75 billion a month into the nation's economy. California's portion is estimated at $450 million a month. However, in August retail sales dropped 0.9 percent, adding again to the economic uncertainty.

Only 75,000 new housing permits were issued in 1981–82, the lowest number since 1966. Housing needs in California are estimated at more than 200,000.

VI. BUSINESS TAXES

For the first 41 years of its existence as a constitutional agency, the Board of Equalization was involved exclusively with property taxes. In 1911, amendments to the Constitution assigned to the Board assessment of corporation franchise taxes, a bank share tax, a gross receipts tax on public service corporations (utilities), and insurance taxes. Of these, only the insurance tax is still administered by the Board.

In 1923, the Legislature enacted the Motor Vehicle Fuel Tax Law and assigned administration to the Board.

In the 1930s the Great Depression confronted California with a critical shortage of revenue. Looking back 20 years later, State Legislator John F. O'Donnell told the Joint Interim Committee on Governmental Reorganization (November 23, 1953 in Woodland):

"In 1933 . . . state finances were in deplorable condition . . . There was one outstanding group in state government . . . When it came to placing the administration of different tax measures during that period, we just whipped them all over to the State Board of Equalization."

The first, and by far the greatest new source of revenue, was the Retail Sales Tax enacted in 1933, and assigned to the Board. Since then, virtually every tax enacted by the Legislature has provided that the Board of Equalization serve as the administrative body. Although some of these tax laws have been repealed (see chronology, page 13), the Board continues to administer most of them.

Following is a list of those tax programs administered by the Board, and the pages on which they are described:

California Sales and Use Tax (52)
City and County Sales and Use Taxes (53)
County Transit District (Transactions) Sales and Use Taxes (54)
Motor Vehicle Fuel License Tax (Gasoline and Aircraft Jet Fuel) (55)
Use Fuel Tax (55)
Cigarette Tax (56)
Alcoholic Beverage Tax (56)
Insurance Tax (57)
Emergency Telephone Users Surcharge (57)
Energy Resources Surcharge (58)
Hazardous Waste Disposal Fee (58)
Annual Hazardous Substance Tax Assessment (59)

Revenue collected from the business taxes programs in fiscal year 1981–82 totaled $11,162,396,000 at a cost of $81,636,000. The Board's cost averaged 73 cents for each $100 collected from these tax programs.

Since the business tax laws provide for a self-assessment system, the board solicits voluntary cooperation from the more than 725,000 taxpayers in filing required tax returns. Each taxpayer declares how much tax is owed by filing a tax return showing amounts subject to tax and appropriate exempt transactions. The Board publishes informational material and makes individual assistance available to taxpayers through more than 60 field offices at convenient locations statewide, and offices in New York, Chicago, and Houston to serve taxpayers who do business in California but have their headquarters or records in other states. A complete directory of office locations and telephone numbers is published on the back cover of this report.

Audit Activities

Auditing taxpayer records produces revenue benefits for the state and local governments that greatly exceed the cost of the audit program. The tax base is protected because taxpayer reporting errors are detected and corrected. Public awareness of the program motivates taxpayers to report accurately and timely.

As part of its ongoing audit program, the Board has expanded its use of statistical sampling in auditing. Statistical sampling techniques have resulted in the discovery of substantial reporting errors by large manufacturing firms caused by inaccuracies in their internal accounting systems.

The extension of the Board's Business Taxes Consolidated Information System, which provides instant access to the computer-maintained records for headquarters and field offices, has improved audit verification of sales for resale. Auditors can more readily detect improper resale certificates. The system also assists in identifying sales tax permits or persons or entities not engaged in the business of selling tangible personal property, but who use the permit to purchase items at wholesale prices for their own use.

The Board's audit program for 1981–82 resulted in a record detection of underpayments and overpayments of self-assessed taxes. Total net tax deficiency recovery for all business taxes amounted to $174.4

million. Net tax deficiency recovery increased to $185.11 per audit hour.

Taxpayers who disagree with determinations of tax liability recommended as a result of audits may file petitions for redetermination to obtain administrative review of the issues. Most petitions are resolved without a hearing. Petitions are generally requested to document their specific grounds for protesting the tax and, if adequate documentation is furnished, a reaudit is made.

Some petition cases are scheduled for hearings with a hearing officer. These hearings generally take place in a Board office located close to petitioner's principal place of business. After the hearing, the petitioner receives a written report of the hearing officer's recommendation. Any petitioner who disagrees with the recommendation may request an oral hearing before the Board. The Board heard 408 business taxes cases during the 1981–82 fiscal year.

Tax Representative Maria Salazar leaves the Redding branch office for a field trip to the southern Oregon fringe area.

TABLE A

SUMMARY OF BUSINESS TAXES FIELD AUDIT ACTIVITIES FISCAL YEARS 1977–78 TO 1981–82

Year	*Number of Audits Completed*	*Hours of Direct Field Audit Time*	*Average Hours Per Audit a, b*	*Direct and Indirect Cost*	*Audit Recovery a,d,e*		
					Total	*Per Hour*	*Per Dollar of Cost*
1981–82	23,251	942,165	40.5	$36,219	$174,400,000	$185.11	$4.82
1980–81	24,869	989,789	39.8	37,730,000	168,268,000	170.00	4.46
1979–80	24,768	907,522	36.6	29,524,000	136,425,000	150.33	4.62
1978–79	24,834	908,626	36.6	25,997,000	116,200,000	127.89	4.47
1977–78	26,031	882,416	33.9	23,800,000	104,681,000	118.63	4.40

a. Includes field billing order deficiencies based on a field investigation of a limited phase of the taxpayer's business.
b. Includes the transmitted hours for re-audits and hours spent on field waivers.
c. Includes overhead costs and a portion of the costs of other state agencies such as the Department of Finance and the State Personnel Board.
d. Includes audit recovery arising from state-administered local taxes.
e. Adjusted for estimated cancellations.
NOTE: The results for 1981–82 exclude refund items. Prior year's results include refund items.

TABLE B

ANALYSIS OF BUSINESS TAXES FIELD AUDIT ACTIVITY FISCAL YEAR 1981–82

Tax Program	*Number of Audits a*	*Number of Hours b*	*Average Hours Per Audit a, b*	*Audit Recovery*	
				Net Tax Deficiencies	*Per Hour*
Sales and Use Tax	22,196	915,931	41.3	$170,682,426	$186.35
Use and Fuel Tax	725	11,824	16.3	848,137	71.73
Motor Vehicle Fuel License Tax	79	5,777	73.1	1,322,824	228.98
Alcoholic Beverage Tax	205	5,618	27.4	503,566	89.63
Cigarette Tax	46	3.015	65.5	1,042,890	345.90
Total Business Taxes	23,251	942,165	40.5	$174,399,843	$185.11

a. Includes field billing orders deficiencies based on a field investigation of a limited phase of the taxpayer's business.
b. Includes the transmitted hours for re-audits and hours spent on field waivers.
c. Includes audit recovery arising from state-administered local taxes.
d. Adjusted for estimated cancellations.
NOTE: Refund items are not included.

Enforcement Activities

The Board's compliance staff is responsible for equitable and uniform enforcement of the business tax laws to assure that California's more than 725,000 businesses subject to those taxes are properly licensed and that they report and pay their taxes accurately and on time. At the Board's field offices, taxpayers may obtain permits and receive advice in applying the law to their particular operation. This direct personal contact continues throughout the life of the business.

One of the major enforcement responsibilities is the collection of delinquent taxes. During 1981, the Board recovered delinquent accounts receivable at the rate of $400 for each hour of collection time expended, for a favorable cost benefit ratio of 35-to-1.

The number of outstanding sales and use tax permits issued by the Board totaled 724,352 at the end of December 1981. This number was 50,476 larger than a year earlier, and 26,272 larger than it had been on June 30, 1981. Growth during both the six-month period and the calendar year was the highest ever recorded in a six-month or 12-month period with the exception of the original registration period in 1933.

During periods of economic decline, the number of sales tax permits increases apparently because higher unemployment rates and spiraling inflation cause people to attempt to augment their income by operating their own business. The upsurge in permit activity was caused both by new business ventures and closeouts of existing business firms.

San Diego Tax Auditor II Roger Carlson calculates interest on the audit liability at the new 18 percent rate.

Two programs recently adopted by the Board have increased the activity in sales tax permits. First, a program to delete inactive accounts discovered 23,300 permittees who held sales tax permits for the entire 1980 calendar year but reported no sales activity. During the summer of 1981, the Board closed out 22,300 of these permits.

Second, the Board's policy of strict enforcement of permit requirements for swap meet and flea market sellers was a major factor in the increase in the number of permits on record. For the last six months of 1981, the number of part-time permits increased by 19,418, even though 14,737 part-time permits were closed out during the same period. Swap meet and flea market sellers comprised a substantial portion of the new permits.

Tax Return Processing

California's business taxpayers filed more than 3.2 million sales tax returns and prepayment reports in fiscal year 1981–82. Although this was a 3.2 percent increase in returns filed over fiscal year 1980–81, the $9.8 billion volume of tax collected was not as high as projected.

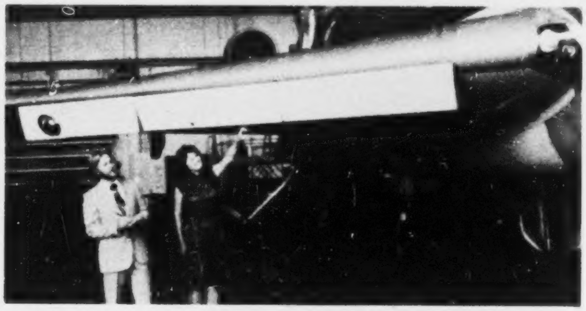
Board staff reviews returns for questionable deductions and for proper exemptions. Approximately 255,000 returns required additional action in billings, adjustments, extensions, correspondence, and/or refunds.

Advisory services to taxpayers are initiated when appropriate to inform taxpayers of the proper application of tax laws and regulations and any changes in law or procedures. During the 1981–82 fiscal year there were several law changes related to changes in interest rates on late payments, prepayment requirements, and implementation of the Los Angeles and San Mateo County transit taxes.

A comparison of taxpayer accounts and total dollars collected in sales and use tax and use fuel tax revenues is shown in the following table:

SALES AND USE TAX
AND USE FUEL ACCOUNTS

			Dollar Volume Collected	
Fiscal Year	*Number*	*Percent Increase*	*Dollars in Thousands*	*Percentage Increase*
1977–78	603,251	4.8	5,096,730	16.5
1978–79	632,665	4.9	5,886,014	15.5
1979–80	660,217	4.4	6,738,569	14.5
1980–81	685,242	3.8	7,257,166	7.7
1981–82	721,183	5.2	7,770,427	7.1



Tax Auditor IV Steve Pearson and Tax Auditor III Sue Scheib examine maintenance procedure on an interstate carrier based in San Diego.

Use Tax Activities

During this year a new program was initiated in cooperation with the California Highway Patrol and Department of Motor Vehicles. The program identifies vehicles operated by California residents which are registered in another state, apparently to avoid payment of California tax.

The procedure begins with the Highway Patrol staff preparing referral forms which identify vehicles with out-of-state license plates. Board personnel process these forms, locate the owner of the vehicle, and attempt to determine whether the owner of the out-of-state registered vehicle is a California resident. The Department of Motor Vehicles receives completed forms and pursues collection of use tax and registration fees from the vehicle owner when appropriate.

To determine the effectiveness of this operation, the Legislature authorized a pilot program for a portion of the state and, based on its success, adopted it as a regular program statewide. During the test period, over 9,000 investigations produced in excess of $1.1 million in tax and fees at a total cost to all three agencies of approximately $115,000.

Board field offices have intensified efforts to detect evasion of sales or use taxes on vehicles, vessels, and aircraft. As a result, numerous assessments have been levied against persons reporting fictitious out-of-state addresses, claiming out-of-state deliveries of such property, and using fictitious or unauthorized resale certificates.

California Sales and Use Tax

The sales tax is imposed on retailers for the privilege of selling tangible personal property at retail. A retail sale is a sale of tangible personal property for any purpose other than resale in the ordinary course of business. The use tax is imposed on the purchaser for the storage, use, or consumption in California of tangible personal property purchased from an out-of-state retailer for use in this state. Use tax also applies to some transactions between private parties such as purchases of vehicles, vessels, and aircraft.

The 6 percent rate for both sales and use tax includes 4.75 percent state tax and 1.25 percent state-administered city and county tax. The sales tax is measured by gross receipts from retail sales and the use tax is measured by the purchase price of the property. In five transit districts involving seven counties, an additional locally imposed but state-administered tax of one-half of 1 percent is in effect.

Sales taxes are levied on most retail sales and leases of tangible personal property. There are, however, several exemptions, which apply, for example, to food for human consumption, prescription drugs, bulk monetized bullion, newspapers and periodicals, and certain mobilehomes which are subject to property tax.

Everyone in the business of selling personal property which would be taxable if sold at retail must apply to the Board for a seller's permit. This requirement applies to wholesalers as well as retailers. Although there is no fee for the permit, an applicant may be required to furnish security to assure payment of tax. A separate permit must be secured for each place of business and must be conspicuously displayed at the location for which it is issued. A permit is valid until the owner surrenders it for cancellation or it is suspended or revoked by the Board.

The majority of permit holders are required to file quarterly tax returns, but the Board establishes annual or monthly filing periods for some taxpayers. Tax return forms are prescribed and printed by the Board and must be filed with the remittance due on or before the last day of the month following each reporting period.

Secretary Cindy Lewis takes application from taxpayer in the Eureka branch office.

Business Taxes Representative II Gerald Jung and Program Technician II Sally Rice work in compliance registration in the Oakland District office.

Permit holders whose estimated measure of tax liability averages $17,000 or more per month must prepay their liability by making two prepayments before filing and paying their quarterly return, a total of three payments for each quarter.

During the 1981–82 fiscal year, the Legislature passed Assembly Bill 1253, which was signed by the Governor on March 13, 1982. This bill and Assembly Bill 8X, enacted during the First Extraordinary Session, amended two sections in the Sales and Use Tax Law which pertain to prepayment of tax by any person or entity whose estimated measure of tax liability averages $200,000 or more per month. (No changes were made in the prepayment status of permit holders whose estimated measure of sales and use tax liability averages less than $200,000 per month.)

The new legislation provides that, effective June 1, 1982, permit holders with $200,000 or more in tax liability per month, must include the estimated tax liability for the first 15 days of June with the prepayment made for the month of May.

Program Technician Brenda Johnson verifies computations on a sales and use tax return.

By accelerating the payment for the first 15 days in June for approximately 7,200 accounts, an additional $130,000,000 became includable in the 1981–82 fiscal year revenue. This action by the Legislature helped to balance the 1981–82 budget. Assembly Bill 8X, which increases the interest rate on delinquent amounts from 12 percent to 18 percent per annum, computed on a daily basis, could also affect 1982–83 revenues.

During the 1981–82 fiscal year $7,689,139,000 in sales and use taxes were deposited into the retail sales tax fund of the state treasury. The amount in this fund is adjusted for any erroneous collections or payments. Refunds are made to individuals or corporations who have overpaid their actual sales tax liability.

Before any refunds are processed however, the Government Code provides the State Controller with the authority to offset any overpayment credit against any existing liability the recipient may have with another state agency.

Headquarters Operations Administrator Martin Fiorino (left) delivers the newly signed contract for the Los Angeles transit tax to Local Tax Unit Supervisor Keith Christensen.

City and County Sales and Use Tax

Under the provisions of the Bradley-Burns Uniform Local Sales and Use Tax Law, the counties impose a 1.25 percent sales and use tax and the cities impose a 1 percent tax. The city tax is credited against the county tax so the overall rate of tax will not exceed 1.25 percent. Although the Bradley-Burns Law was enacted in 1955, it was not until 1961 that all 58 counties and all California cities adopted ordinances and contracted with the Board for state administration of their local sales and use tax ordinances. For the fiscal year 1981–82, the Board distributed $2,107,150,000 in local tax revenues to the cities, counties, and transit districts.

Tax Auditors Saburo Okamoto (seated) and Harry Kanemasu prepare the first revenue estimate for the new Los Angeles transit tax.

In administering the Bradley-Burns Law, the Board must assure the proper allocation and distribution of local taxes to the taxing jurisdictions. The law specifies that all retail sales occur at the place of business of the retailer, unless the property is delivered to an out-of-state destination by the retailer, the retailer's agent, or by common carrier. Approximately 95 percent of all returns filed by taxpayers are automatically processed by the Board with reference to the four-digit area code which identifies the taxing jurisdiction of each retailer. The other 5 percent consists of returns filed by taxpayers who have multiple outlets or who conduct business away from their principal location and who must therefore file sales locations schedules with their returns. These schedules are reviewed for accuracy and completeness, and are then used as the basis for allocating the taxes reported.

Proper area coding is important because it serves as the basis for returning the tax to the place of sale or use. Area code specialists carefully check business addresses with maps provided by cities and counties to verify that proper tax area codes are assigned.

To maintain a steady cash flow, the Board is directed by the Local Sales and Use Tax Law to distribute the local taxes to cities and counties at least twice during each calendar quarter. However, to expedite the distribution, estimated advance payments are sent each month to local governments based on analysis of economic conditions, growth patterns, and other pertinent trends. The cities, counties, and transit districts may request that their warrants be deposited in a Sacramento branch of their bank to make the money available sooner and in order to earn interest for the days during which the funds would otherwise have been traveling by mail.

County Transit District Sales and Use Taxes (Transactions and Use Tax)

As of July 1, 1982, the San Francisco Bay Area Rapid Transit District, the Santa Clara County Transit District, the Santa Cruz Metropolitan Transit District, the Los Angeles County Transportation Commission, and the San Mateo County Transit District impose transactions and use taxes at the rate of one-half of 1 percent. This tax is imposed on the retail selling price of tangible personal property sold in the district, or purchased outside the district for use within the district, unless the sale is subject to the transactions (sales) and use tax at the place of purchase.

The Board administers the ordinances imposing transit district taxes and transmits the amounts collected to each of the districts. During fiscal year 1981–82, the Bay Area Rapid Transit District (Alameda, Contra Costa, and San Francisco) received $61,039,000, the Santa Clara County Transit District received $49,514,000, and the Santa Cruz County Metropolitan Transit District received $5,017,000.

In 1982 the California Supreme Court reviewed and approved a one-half-of-1 percent sales and use tax for Los Angeles County. The court ruled that the Los Angeles County Transportation Commission could impose the tax approved by the majority of voters in November 1980 because the Commission is not a special district required by Proposition 13 to impose taxes only on approval of two-thirds of the voters.

A somewhat similar situation existed in San Mateo County where the voters in 1972 had approved a one-half-of-1 percent sales and use tax by a majority, but less than two-thirds vote. However, following the Supreme Court decision, the Board began administering the ordinances to collect this tax for both Los Angeles County and San Mateo County, effective July 1, 1982.

The added tax should bring in about $240 million annually to Los Angeles County and about $23 million annually to San Mateo County to help pay for public transportation.

Secretary Beatrice Stone (right) and Nancy Triemert discuss audit control procedure in the Downey District office.

Motor Vehicle Fuel License Tax (Gasoline and Aircraft Jet Fuel)

Every person dealing in motor vehicle fuel (gasoline) in quantities of 200 gallons or more is required to be licensed by the Board as a motor vehicle fuel distributor or broker. The tax is imposed at the rate of 7 cents per gallon on the first distribution of fuel in this state. Effective January 1, 1983 the tax rate will increase to 9 cents per gallon.

The total tax collected for fiscal year 1981–82 amounted to $770,628,000 on distributions of 11.06 billion gallons, which is a decrease from 1980–81.

Gasohol, which is a mixture of gasoline and alcohol, is being sold by numerous service stations. Under the Motor Vehicle Fuel Tax Law, gasohol is taxed at the same rate as gasoline but there is a partial exemption from the sales and use tax. During 1981 the sales and use tax exemption was 5 cents per gallon whereas effective January 1, 1982 and continuing through December 31, 1982, the exemption was reduced to 4 cents per gallon. The total number of gallons sold during fiscal year 1981–82, as reported by distributors, was 273 million gallons.

The Motor Vehicle Fuel License Tax Law was amended to exclude ethanol and methanol from definition of motor vehicle fuel, effective January 1, 1982. Since these products constitute fuel when used to propel a motor vehicle, they are accordingly subject to the taxing provisions of the Use Fuel Tax Law. This legislation shifted the tax from Motor Vehicle Fuel License Tax Law to the Use Fuel Tax Law (see next section). Another important change resulting from this legislation is shifting the incidence of the tax on alcohol, which is blended with gasoline to form gasohol, from the vendor of the bulk alcohol to the person doing the blending.

Aircraft jet fuel is taxed at the rate of 2 cents per gallon. Air common carriers, persons engaged in constructing or repairing aircraft, and the armed forces of the United States are exempt from this tax. The total jet fuel tax collected for fiscal year 1981–82 amounted to $860,000 on distributions of 40.4 million gallons, which is a 7.6 percent increase from 1980–81.

Use Fuel Tax

Motor vehicle fuels which are not taxed under the Motor Vehicle Fuel License Tax Law are taxed under the Use Fuel Tax Law. Fuels subject to this tax include diesel fuel, liquefied petroleum gas, liquefied natural gas, compressed natural gas, ethanol, and methanol. The latter two fuels became taxable under the Use Fuel Tax Law January 1, 1982; they were previously taxed under the Motor Vehicle Fuel License Tax Law.

Although this tax is imposed upon the user of fuel in motor vehicles, it must be collected by vendors who place the fuel into the fuel tank or any receptacle on a motor vehicle from which fuel is supplied for the propulsion of the vehicle.

The rate of tax is 7 cents per gallon of diesel and similar fuels; 6 cents per gallon of liquefied petroleum gas and liquid natural gas; 7 cents per 100 cubic feet of compressed natural gas, measured at standard pressure and temperature; and one-half the 7 cents-per-gallon rate (3½ cents) on ethanol or methanol for the period January 1, 1982 through December 31, 1982. Effective January 1, 1983 the tax rate on diesel will increase to 9 cents per gallon.

The owner or operator of a vehicle propelled by a system using liquefied petroleum gas, liquid natural gas, or compressed natural gas may pay an annual flat

Fuel tax enforcement coordination with the California Highway Patrol results in the issuance of a use fuel permit to an out-of-state trucker. From right, Business Taxes Representative John R. Klein of the Visalia branch office, truck driver, and CHP Officer Merv Johnson.

Business Taxes Representative Julie Stricker verifies truck's foreign vehicle registration at the San Diego/Tijuana border checkpoint. Unregistered vehicles must estimate use fuel tax on fuel consumed in California.

rate fuel tax based on the type or weight of the vehicle instead of the per gallon rate.

Every vendor of fuel subject to this tax and every user, except a person whose fuel is purchased tax paid to vendor and used in a privately operated passenger vehicle, must obtain a permit from the Board.

Use fuel taxes and fees for 1981–82 totaled $81,325,000. There were 55,042 user use fuel and 2,887 vendor use fuel permits in force as of June 30, 1982.

Cigarette Tax

A tax of five mills ($0.005) per cigarette is imposed on the distribution of cigarettes and is collected through the sale of tax stamps or meter units to licensed cigarette distributors. These are sold through a major California bank which contracts with the Board to act as its agent and provide stamps and meter units to these distributors.

Distributors file monthly reports which account for their purchases and sales of cigarettes and their purchase and use of stamps and indicia. These reports are reconciled with manufacturers' reports of all cigarettes sold to California purchasers and wholesalers' reports of cigarettes purchased from distributors. Major differences are investigated.

Board representatives cooperate with agents of the Federal Alcohol, Tobacco, and Firearms Bureau in investigating thefts of cigarettes or violations of the laws relating to the transportation of contraband cigarettes.

The tax has been imposed at the current rate which equals 10 cents per package of 20 cigarettes since October 1, 1967. Thirty percent of the tax is allocated to cities and counties by a formula based on local distributions of state-administered local sales and use taxes and on population.

Revenue from this tax during 1981–82 totaled $276,824,000, a decrease of 0.5 percent from 1980–81. Local government received $83,047,000. The total cost of collecting the tax, including the cost of manufacturing the tax stamps, was only 55 cents per $100 of revenue.

Alcoholic Beverage Tax

Alcoholic beverage excise tax is paid by manufacturers, blenders, rectifiers, wholesalers, and importers of distilled spirits, beer or wine. Registration of the companies as excise taxpayers automatically occurs when the Department of Alcoholic Beverage Control issues a license to authorize their operations.

The tax on distilled spirits is imposed on distillers, rectifiers, and importers. Beer or wine imported into California is subject to the tax upon receipt in this state. Beer or wine produced in California is subject to tax upon removal from internal revenue bond when the federal excise taxes are paid.

The tax rate on distilled spirits is $4 per gallon for liquor over 100 proof, and $2 per gallon for 100 proof and under. For noncarbonated wine it is 1 cent per gallon if the alcohol content by volume is 14 percent or less and 2 cents per gallon if it is over 14 percent. Sparkling hard cider is taxed at 2 cents per gallon and all other sparkling wines and champagnes at 30 cents per gallon. The tax on beer is 4 cents per gallon. The rates on wine have been in effect since July 1, 1937, on beer since July 1, 1959, and on distilled spirits since August 16, 1967.

The Board collected $139,524,000 in alcoholic beverage tax revenues in the year 1981–82. This represented a 2.3 percent decrease from 1980–81. Approximately 80 percent of the current revenue comes from distilled spirits.

Excise Tax Unit Office Assistant Gail Geisick files insurance assessments made by the Board. Insurance companies are taxed on the basis of their gross premiums.

Insurance Tax

The administration of the insurance tax is shared by three agencies. The Department of Insurance regulates insurers, has examination authority, and determines the correct tax. The State Controller collects the tax. The Board of Equalization, upon recommendation from the Department of Insurance, issues tax assessments. The Board also considers petitions for redetermination and claims for refund, and grants oral hearings to petitioners.

The tax levied against insurance companies is in lieu of all other taxes except license fees and taxes on real estate. This tax is primarily a gross premiums tax levied upon premiums received on business done in California except for the tax on ocean marine insurance which is computed on underwriting profits. Gross premiums are taxed at the rate of 2.35 percent except that premiums derived from annuities and profit-sharing plans which qualify under certain sections of the Internal Revenue Codes are taxed at only one-half of 1 percent.

The following table summarizes assessments by type of insurer for the last four years:

INITIAL INSURANCE TAX ASSESSMENTS
(In Thousands)

Type of Insurer	*1981*	*1980*	*1979*	*1978*	*Percent Change 81–80*
Fire and Casualty	$294,894	$280,940	$267,454	$244,852	+5.-0%
Life	167,932	156,996	151,838	141,990	+7.-0%
Title	6,493	6,598	7,702	7,059	−1.-6%
Ocean Marine	225	146	100	144	+54-.2%
Total	$469,544	$444,680	$427,094	$394,045	+5.- 6%

Emergency Telephone Users Surcharge

The Emergency Telephone Users Surcharge Law was enacted by the Legislature to provide funds for counties, cities, and other local entities to implement and operate emergency telephone systems. The Legislature has mandated that all local agencies have their systems in operation by December 31, 1985, with access to each system by the common phone number 911. After December 31, 1985, it should be possible to dial 911 for police, fire, medical, and rescue assistance from anywhere within California. An emergency call through a public pay phone will not require the use of a coin. Of the 315 systems contemplated, 118 were in operation by July 1, 1982. An estimated 26 additional systems will become operational during the 1982–83 fiscal year.

The Board collects the surcharge revenue and applies administrative and enforcement procedures as required. The Department of General Services, Communications Division, establishes minimum technical and operational standards, provides consultation services, and approves and recommends the funding necessary to implement and operate each system.

Program Technician Margo Wildman answers a taxpayer's question in the Vallejo branch office.

The surcharge is currently imposed at the rate of one-half of 1 percent of the charges for intrastate telephone communication services, and is collected by the telephone companies from their customers in the regular billing process. All telephone companies operating in California are registered with the Board and are required to remit the surcharge collected each calendar quarter.

The Department of General Services must determine annually the rate it estimates will produce sufficient revenue to fund each fiscal year's costs for the 911 program. If a new rate is established, the Department must notify the Board which must then fix the new rate and notify the telephone companies accordingly. The rates may not be less than one-half of 1 percent nor exceed three-quarters of 1 percent.

Surcharge revenue collected during fiscal 1981–82

At the Account Reference Unit's information desk, Office Assistant Eddie Carter provides account information to the public by phone.

totaled $20,052,000. This was a 27.2 percent increase over the previous fiscal year.

As of July 1, the 118 systems operating in about two-thirds of California's counties were serving about 8.5 million people.

Energy Resources Surcharge

The energy resources surcharge is collected primarily from the consumers of electrical energy by the 49 electric utilities operating within California. In addition, there are 17 public institutions and water and irrigation districts which remit the surcharge for electrical energy they purchase from the federal government for their own consumption. The utilities and specified public institutions and districts remit the surcharges to the Board quarterly.

The surcharge rate has changed approximately ten times since the law went into effect on January 1, 1975. The current rate of two-tenths of a mill per kilowatt-hour ($0.0002), is the maximum allowed under the law and has been in effect since September 1, 1981.

Auditor Sheila Sarem (seated) shows Office Assistant Lisa Senitte how to obtain records from the Department of Motor Vehicles for use in auditing dealers in autos and recreational vehicles.

The Board is required to fix the rate by February 1 of each year for application during billing periods starting on or after March 1. The rate is set at a value estimated to produce sufficient revenues to fund the expenditures authorized in the Governor's budget for state energy resources conservation and development. The Board reviews the rate after enactment of the budget, and if an adjustment is warranted, it must, with formal recommendation of the Department of Finance, determine and publish the adjusted rate no later than August 1, for application during billing periods starting on or after September 1.

Surcharge collections for 1981–82 were $30,994,000. This represents a 30.1 percent increase/decrease over the previous fiscal year.

Senior Account Clerk Sue Wright maintains electrical energy surcharge records in the Excise Tax Unit.

Hazardous Substances Tax Law

Senate Bill 618, enacted as an emergency measure, became effective when it was signed by Governor Brown on September 24, 1981. The Board is responsible for administering two additional tax programs as a result of this legislation. The first is a monthly fee (tax), currently imposed at the rate of $1 per ton of disposed hazardous waste, on the operators of disposal sites. The second is an annual total tax of $10 million assessed upon persons who generate hazardous waste and dispose of it in California.

The monthly $1 per ton tax on operators of disposal sites was formerly collected by the Department of Health Services. Since the Board assumed administration of this program, the monthly revenue has doubled.

Considerable confusion existed when this revenue program was transferred from Health Services to the Board because no adequate registration list of the disposal sites was available. With the cooperation of Health Services, the Board contacted 1,460 persons who had federal permits from the Environmental

Auditor Walt Rickey and Office Services Supervisor Joyce Vincenty review accounts receivable under the Hazardous Waste Tax Law.

Protection Agency for a treatment, storage, or disposal facility. Currently the Board has registered approximately 200 of them as operators of hazardous waste disposal facilities.

The new law requires these disposal facilities to file a monthly tax return and pay the $1 per ton fee by the 15th of the month following the disposal of the hazardous waste. Total collections by the Board during fiscal year 1981–82, starting October 1, 1981 when administration of the tax became the Board's responsibility was $1,387,000.

Funds collected from this tax are deposited in the state treasury to the credit of the hazardous waste control account in the general fund. This money is used for the support of the hazardous waste management program administered by the Department of Health Services.

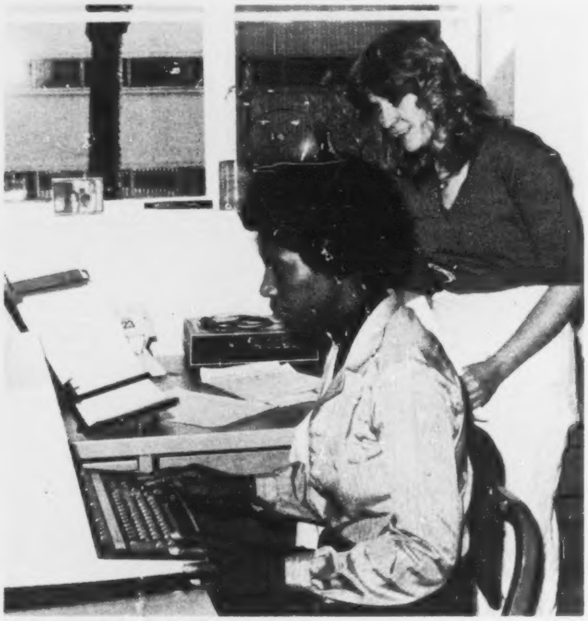
The law provides that the annual tax on the generators of hazardous waste who dispose of it in California must total $10 million. This tax is assessed by the Board on June 1 based on reports which must be filed by March 1 of each year by the generators. The tax payable from these assessments is due by July 1 of each year.

The reports due by March 1 of each year require each generator to report the tonnage of hazardous waste which he has disposed of in California during the preceding calendar year. The tonnage of hazardous waste must be reported in four different classifications based on the nature of the disposed waste. The Department of Health Services determines what constitutes hazardous waste and designates the classification in which each is to be reported. Tax is assessed at a different rate for each classification of waste reported. These tax rates are determined after all reports are received and the total tonnage of hazardous waste disposal is compiled. The rates are determined by a formula in the law which will generate a total fund of $10 million annually.

During the 1981–82 fiscal year the Board completed registration of the generators of hazardous waste, received the first annual reports which were due March 1, 1982 and assessed the $10 million initial tax on June 1, 1982 which was due and payable by July 1, 1982. Registrations have been completed on approximately 4,500 generators of hazardous waste who dispose of it in California.

The $10 million fund is deposited in the state treasury to the credit of the hazardous substance account in the general fund. These funds are to be used primarily for removal, or remedial action related to the release or threatened release of hazardous substances. The law also provides that under specific circumstances the State Board of Control may make payment from the fund to compensate for certain losses caused by the release of hazardous substances.

Occasional Sales Unit Clerk Lorraine Garcia uses microfilm reader-printer to verify residence of owners of vehicles registered outside California. The Board works with the Department of Motor Vehicles and the Highway Patrol to discover California residents who try to avoid taxes by registering vehicles in neighboring states.



Word Processing Technician Antoinette Cabral (seated) demonstrates word processing equipment for new Technician Sue Sweeney.

Business Taxes Legislation

Following is a summary of the bills passed by the Legislature during the first half of the 1981–82 session which are of significance to the Board's business taxes operations.

AB 297—Chapter 35—May 19, 1981
Color of Gasohol

Amended Section 6357.5 of the Sales and Use Tax Law to delete the requirement that the Board designate the color of gasohol. Gasohol need no longer be dyed yellow. This act also requires the Board to transmit annually to the Controller an estimate of the annual revenues lost as a result of the partial exemption for gasohol.

AB 357—Chapter 947—January 1, 1982
Interest Relief for Disasters

Added Section 7658 to the Motor Vehicle Fuel License Tax Law, Section 8878 to the Use Fuel Tax Law, Section 30283 to the Cigarette Tax Law, Section 32256 to the Alcoholic Beverage Tax Law, Section 40103 to the Energy Resource Surcharge Law, and Section 41097 to the Emergency Telephone Users Surcharge Law authorizing the Board to relieve the interest otherwise required to be paid by a taxpayer for failure to make a timely return or payment if such failure is due to a disaster and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect. Any person seeking to be relieved of the interest is required to file with the Board a statement under penalty of perjury setting forth the facts upon which the claim for relief is based.

Amended Section 6593 of the Sales and Use Tax Law concerning relief of interest due to a natural disaster by eliminating the term "natural". This conforms the Sales and Use Tax Law with the other business tax laws' relief of interest provisions.

Motor Vehicle Fuel

Amended Section 7304 of the Motor Vehicle Fuel License Tax Law to exclude ethanol, methanol, and blends of alcohol and gasoline containing not more than 15 percent gasoline from the definition of motor vehicle fuel. As a result, such fuel becomes subject to the Use Fuel Tax Law.

Bond Requirements of Distributors and Brokers

Amended the Motor Vehicle Fuel License Tax Law to eliminate the minimum bond requirement and place a broker on the same footing as a distributor with respect to the bond requirement. Thus, effective January 1, 1982, the Board may require a distributor or broker to post a bond in any amount subject to the maximum limitation of $500,000 before a license can be issued authorizing such person to engage in business as a distributor or broker. Previously, a broker of motor vehicle fuel was not required to post a bond and distributors were required to post a minimum bond of $1,000.

Tax Credits for Exported Fuel

Amended the Motor Vehicle Fuel License Tax Law to allow a licensed distributor to claim a credit upon his return for taxes paid on motor vehicle fuel which is subsequently exported for use outside the state in lieu of filing a claim for refund for such taxes with the Controller.

Uncollected Surcharges

Amended the Emergency Telephone Users Surcharge Law to require the service supplier to provide the Board with amounts uncollected which total $3 or more on a cumulative basis with respect to a single user along with the names, addresses, and reasons that the service users refuse to pay the surcharge as imposed.

AB 384—Chapter 337—January 1, 1982
Liability of Corporate Officers

Added Section 6829 to the Sales and Use Tax Law to provide that upon termination, dissolution, or abandonment of a corporate business, any officer or other person having control or supervision of, or who is charged with the responsibility for the filing of returns or the payment of tax, or who has the responsibility to act for the corporation, is personally liable for any unpaid taxes, interest, and penalties on those taxes, if the officer or other person willfully fails to pay or to cause to be paid any taxes due from the corporation.

Such officer or other person is liable only for taxes which became due during the period he or she had the control, supervision, responsibility, or duty to act for the corporation, and only if the Board can establish that the corporation had included tax reimbursement in the selling price of tangible personal property sold in the conduct of its business, or when it can be established that the corporation consumed tangible personal property and failed to pay the tax to the seller or to report and pay use tax.

AB 730—Chapter 642—January 1, 1982
Marin County Transit District

Amended Section 70223 of the Public Utilities Code to authorize the Marin County Transit District to impose a retail transactions and use tax at a rate of one-half of 1 percent or lower as specified in the ordinance which must be approved by a majority of the electors voting on the measure at a special election.

SB 85—Chapter 3—February 23, 1981
State Contract Bid Procedures

Repealed Section 14317 of the Government Code which prohibited the inclusion of sales taxes in a bid by a bidder for a contract with the State of California and provided that such taxes were to be disregarded in the award of a state contract.

SB 152—Chapter 951—January 1, 1982
Redevelopment Agency May Impose Sales Tax

Amended the Uniform Local Sales and Use Tax Law, to authorize certain redevelopment agencies to impose a sales and use tax on the sale or use of tangible personal property in the redevelopment project area of cities at a rate of 1 percent or less to be credited against payment of the city sales and use tax.

SB 215—Chapter 541—September 17, 1981
Allocation of Sales Taxes

Amended Section 7102 of the Sales and Use Tax Law to change the requirements for allocating sales and use tax revenue transferred from the retail sales tax fund to the state general fund.

Motor Vehicle Fuel Taxes

Amended Section 7351 of the Motor Vehicle Fuel License Tax Law and Section 8651 of the Use Fuel Tax Law to increase the excise tax rate to 9 cents per gallon on or after January 1, 1983, if the boards of supervisors of counties comprising not less than two-thirds of the population of the state adopt and submit to the Governor by November 15, 1981 a resolution that additional revenues are needed to maintain, improve, and construct state highways, streets and roads, and related transportation facilities. The required number of resolutions were submitted to the Governor on November 15, 1981. Consequently, the tax rate increases will take place on January 1, 1983. These sections of law were also amended to provide that if the federal fuel tax is reduced, the state motor vehicle fuel license tax rate and use fuel tax rate will be increased by the amount that the federal fuel tax rate is reduced so that the combined state and federal tax rate equals 11 cents or 13 cents per gallon. The use fuel tax rate for liquefied petroleum gas and liquefied natural gas is not affected by these provisions, and remains at 6 cents per gallon for liquefied petroleum gas and liquefied natural gas and at 7 cents for each 100 cubic feet of compressed natural gas used, measured at standard pressure and temperature.

Added Sections 7351.5 and 7653 to the Motor Vehicle Fuel License Tax Law to impose, on January 1, 1983, a floor tax of 2 cents for each gallon of fuel which has a tax-paid basis of 7 cents per gallon. The floor tax will be imposed on every person, except a duly licensed distributor, the government of the United States, or any agency thereof, this state or any agency thereof, or any local government, owning 1,000 gallons or more of motor vehicle fuel on January 1, 1983.

Added Part 4 (commencing with Section 9501) to Division 2 of the Revenue and Taxation Code to authorize a county to impose on a countywide basis a tax on motor vehicle fuel in increments of 1 cent per gallon or, in the case of compressed natural gas, 1 cent per 100 cubic feet as measured at standard pressure and temperature, provided the imposition of such tax is approved by the voters at an election. The act also amended Section 7210 of the Uniform Local Sales and Use Tax Law to require the board to administer this local tax imposed on motor vehicle fuel.

SB 257—Chapter 1087—January 1, 1982
Permit Procedures

Added Chapter 3 (commencing with Section 15374) to Part 6.7, Division 3, Title 2 of the Government Code to require state agencies which issue permits to adopt regulations concerning their procedures for considering and issuing permits. Exempts agencies which can demonstrate that the median time of processing an application during the previous 12 months did not exceed seven days.

SB 300—Chapter 820—January 1, 1982
Insurance Tax

Amended Sections 12201 and 12221 of the Revenue and Taxation Code to include a home protection company in the definition of "insurer", and home protection contract fees in the definition of "gross premiums".

SB 492—Chapter 781—January 1, 1982
Mobilehomes

Added Section 6902.1 to the Sales and Use Tax Law to extend the statute of limitations to December 31, 1982 for filing claims for refund of use taxes paid on items which were not part of a mobilehome as a vehicle, if the registration of the mobilehome was transferred from January 1, 1977 through December 31, 1980 and the claimant purchased the mobilehome through a dealer acting as a broker. In essence, the statute of limitations was extended to those persons who would otherwise have been barred from filing a claim for refund.

SB 618—Chapter 756—September 24, 1981
Hazardous Substances Tax

Added Part 22 (commencing with Section 43001) to Division 2 of the Revenue and Taxation Code to impose a Hazardous Substances Tax, payable annually upon each ton or fraction thereof, of hazardous waste or extremely hazardous waste according to a specified formula.

Requires the Board to set the base rate upon such waste, to collect such tax annually, and to transmit the payments to the State Treasurer to be deposited in the state treasury to the credit of the hazardous substances account.

Also requires the Board to collect the monthly fees imposed pursuant to Section 25174 of the Health and Safety Code on hazardous waste, and to transfer such payments to the State Treasurer to be deposited in the state treasury to the credit of the hazardous waste control account.

Expires on July 1, 1991, unless statutorily extended or deleted before that date.

SB 654—Chapter 950—September 29, 1981
Use Fuel Tax

Added Section 8651.8 to the Use Fuel Tax Law to impose an excise tax on ethanol or methanol containing not more than 15 percent gasoline or diesel fuels at a rate of one-half the rate prescribed by Section 8651 for each gallon of fuel used.

Expires on January 1, 1989, unless statutorily extended or deleted before that date.

AB 703—Chapter 107—March 9, 1982
New Trailers Purchased for Out-of-State Use

Amended Section 6388.5 of the Sales and Use Tax Law to provide that, effective July 1, 1982, the gross receipts from the sale of, and the storage, use, or other consumption in this state of a new trailer or semitrailer with an unladen weight of 6,000 pounds or more, which is delivered by the manufacturer or dealer to the purchaser within this state, are exempt from the sales or use tax provided the new trailer or semitrailer is purchased for use outside California. In the case of a new trailer or semitrailer which has been manufactured outside this state, the purchaser must drive or move the vehicle to a point outside this state within 30 days after the date of delivery in this state by the manufacturer or dealer. In the case of a new trailer or semitrailer which has been manufactured in this state, the purchaser must drive or move the vehicle to a point outside this state within 75 days after the date of delivery in this state by the manufacturer or dealer.

This statute change expands the exemption so that the new trailer or semitrailer can now be delivered by a dealer who is independent of the manufacturer and changes the time limitations within which the vehicle must be moved outside this state.

AB 8X—Chapter 5 and AB 1253—Chapter 115—May 27, 1982
Sales Tax Prepayment Accounts

AB 8X of the First Extraordinary Session of 1981–82, as amended by AB 1253, amends the provisions of the Sales and Use Tax Law concerning prepayment of tax reporting requirements. These statutes change the prepayment requirements and due dates for sellers whose estimated measure of sales and use tax liability averages $200,000 or more per month.

Effective June 1, 1982, the prepayment due date for such sellers will be the 23rd day of the month following the end of each of the first two monthly periods of each quarterly period. The amount of the prepayment for January, February, April, July, August, October, and November of each year will continue to be computed by: (a) an amount equal to 90 percent of the tax due for the monthly period, or (b) an amount equal to one-third of the tax reported on the return for the corresponding quarter of the preceding year, provided the seller or his predecessor was in business at that time. For the second quarter of each year, the prepayment for the month of May will include the estimated tax liability for the first 15 days of June. This prepayment may be satisfied by: (a) an amount based on 90 percent of the amount of tax liability in May plus an amount based on 90 percent of the amount of the tax liability for the first 15 days in June, or (b) an amount based on 90 percent of the tax liability in May plus an amount based on 50 percent of the 90 percent of the tax liability in May, or (c) one-half of the tax liability reported on the return or returns filed for the second quarter of the preceding year, provided the seller or his predecessor was in business at that time.

Rate of Interest

Assembly Bill 8X also increases the rate of interest computed on overpayments and underpayments of, and judgments for, tax liability from 1 percent per month or fraction thereof, (12 percent per annum) to 18 percent per annum computed daily from June 1, 1982 through December 31, 1982.

On January 1, 1983 and on January 1 of each succeeding year, the rate of interest will be equal to the average predominant rate rounded to the nearest full percent, quoted during September of the preceding year by commercial banks to large businesses, as determined by the Board of Governors of the Federal Reserve System. The Franchise Tax Board is required to establish such rate no later than November 15 of any year if the prime rate rounded to the nearest full percent is at least a full percentage point more or less than the interest rate which is then in effect. The rate of interest for subsequent years will be made available as soon as the Franchise Tax Board establishes the new rate.

The change in the rate of interest applies to the Sales and Use Tax Law, Use Fuel Tax Law, Motor Vehicle Fuel License Tax Law, Tax on Insurers, Cigarette Tax Law, Alcoholic Beverage Tax Law, Energy Resources Surcharge Law, Emergency Telephone Users Surcharge Law, the Hazardous Substances Tax Law, Timber Yield Tax Law, and Private Railroad Car Tax Law.

VII. TAX LITIGATION

PROPERTY TAXES

Board Property Tax Rule 1025 is Valid Insofar as Certain Timberland Values are Based Upon an Immediate Harvest Value of Both Young Growth and Old Growth Timber but is Invalid to the Extent That Such Values are Based Upon an Immediate Harvest Value Averaged for 10 Rather Than 20 Quarters.

In a declaratory relief action against the State Board of Equalization involving the maximum value formula utilized to tax timberland, the trial court entered judgment for plaintiffs and declared that Rule 1025 was invalid because it was based upon an immediate harvest value of both young growth and old growth timber and also because the Board did not average immediate harvest values for 20 quarters (Rev. & Tax. Code, § 434.5(f) (3)).

The Court of Appeal reversed the judgment insofar as it held that the rule was invalid because timberland values adopted were not based only upon a young growth immediate harvest value. The Court looked at the legislative intent behind the 1976 timberland taxation system, which was to apply a yearly tax to the timberland and to delay tax upon the timber until the time of harvest, at which time a yield tax would be payable. As a part thereof, the Legislature had defined "immediate harvest value" for purposes of the yield tax; and the Court concluded that that definition manifestly encompassed old growth as well as young growth and that, absent any legislative intent to the contrary, the definition was equally applicable for purposes of the timberland tax.

While the basic timberland valuation scheme is the comparable sales approach, the maximum value formula is set forth in Section 434.5(f), capitalization of the value of timberland as a productive component in the growth of timber. As timberland is a productive component of old growth as well as young growth, the Court held that to exclude old growth immediate harvest value from the formula would ignore the productive value of the land in the production of old growth timber and fail to capitalize the percentage of the old growth value produced by the land, a result that would be contrary to the legislative intent.

The Court affirmed that portion of the judgment holding that the rule was invalid because immediate harvest values were not averaged for 20 quarters, however, rejecting the Board's contention that because only ten yield tax quarters had passed prior to the adoption of the rule, it was only required to use an average immediate harvest value averaged for ten quarters. *Soper-Wheeler Co.* v. *State Board of Equalization,* 124 Cal. App. 3d 913.

The Legislature's Broad Definition of "Charitable" Includes a Nonprofit Organization Engaged in Ecological Preservation. Tax-Exempt Status Is Not Lost by a Profit-Making Activity which is Incidental to and Reasonably Necessary for the Accomplishment of the Charitable Purpose.

A nonprofit corporation, organized for the purpose of preserving open-space land for the pursuit of recreation and enjoyment of scenic beauty and for the preservation of native plants and animals, sued for a refund of property taxes on the basis that it was exempted under Revenue and Taxation Code, section 214.02 and for a declaration that the above section was constitutional. The organization was exempt from federal and state income taxes as a charitable organization. The corporation's land was subject to a 50-year Open-Space Easement granted to the county.

The trial court found the section to be constitutional and held that the organization's property was entitled to the welfare exemption provided by Revenue and Taxation Code, section 214.02.

The Court of Appeal affirmed. The Court held that Revenue and Taxation Code, section 214.02, which exempts from taxation "property used exclusively for the preservation of native plants and animals . . . or open-space lands used solely for recreation and for the enjoyment of scenic beauty, and which property is open to the general public . . . and is owned and operated by a scientific or charitable corporation," was a valid exercise of the Legislature's power.

The Court declared that the Legislature's broad definition of "charitable" includes nonprofit organizations engaged in ecological preservation. "Furthermore," said the Court, "the state's public policy is to promote the preservation of ecological communities, native flora or fauna, important geological features, outstanding scenic values, and open-space recreational opportunities."

The Court went on to say that the welfare exemption and the reduced valuation of open-space lands are not mutually exclusive as the defendant had argued. Each section serves a distinct public purpose. Land previously subjected to enforceable restriction may well become more valuable to the public when the commercial enterprises conducted thereon are prohibited by dedication of the land to charitable purposes.

Plaintiff qualified as a charity because its property was benefiting the community which was clearly shown by the more than 500,000 annual visitors and more than 100,000 annual users of the property. Apart from the recreational availability to the general public, the organization's preservation of a unique, partially mild, island environment containing exceptional geological features as well as rare plants and animals provided an incalculable benefit to all members of society.

Plaintiff's tax-exempt status was not affected by the profit-making motor tours and hunting programs. "The threshold question is not what revenues are derived from an activity, but the *purpose* for which it is conducted. Accordingly, 'any property which is used exclusively for a facility which is incidental to and reasonably necessary for the accomplishment of the charitable purpose' comes within the welfare exemption." It is only when an activity which is not reasonably *necessary* to the charitable purpose is placed in commercial competition with public businesses that it is deemed not charitably incidental. Here, the motor tours provide an instructive opportunity for many persons to see and enjoy Conservancy property which otherwise might not be reached. Thus they are reasonably necessary and incidental to the instructive, preservational and recreational purposes of the Conservancy. The Court found the hunting program also reasonably necessary as a game management technique in addition to its recreational use. *Santa Catalina Island Conservancy* v. *County of Los Angeles,* 126 Cal. App. 3d 221.

The Owner's Special Right of Access for Private Profit to Amusement Machines Placed in Public Facilities is Sufficiently Exclusive to Create a Taxable Possessory Interest.

The County of Fresno assessed taxes to the owner of amusement machines placed for a private profit in public facilities including an airport terminal.

The trial court held that the owner's agreed right of access and use of tax-exempt public property was not sufficiently "exclusive" to create a taxable possessory interest in the private user.

The court of appeal reversed, holding that the machine owner's special right of access for profit which was not shared by the general public was sufficiently exclusive to create a taxable possessory interest for purposes of Revenue and Taxation Code, section 107 which defines possessory interest as:

> "(a) Possession of, claim to, or right to the possession of land or improvements, except when coupled with ownership of the land or improvements in the same person."

The court further held that the possibility of competition did not preclude the finding of a possessory interest. *Freeman* v. *County of Fresno,* 126 Cal. App. 3d 459.

The Exchange Requirement of Revenue and Taxation Code, Section 1606 is Met as Long as the Exchange Information Provides Reasonable Notice to the Opposition Concerning the Subject Matter to be Presented at the Hearing.

Taxpayer applied for a reduction of assessment and a refund of real property taxes from the Board of Equalization. During the hearing, taxpayer was prevented from presenting certain evidence because it was not exchanged with the assessor prior to the meeting. The Board utlimately found that taxpayer had failed to present a prima facie case and denied the refund claim.

Taxpayer then sought relief in the superior court. The trial court held that the Board had committed evidentiary errors and that taxpayer had made out a prima facie case of overassessment, and ordered the county to refund the taxes.

The Court of Appeal reversed holding that the Board's interpretation of Revenue and Taxation Code, section 1606 was unduly restrictive and violated the legislative purpose behind the statute.

The Court said, "The equalization process is a true adversary proceeding and Revenue and Taxation Code, section 1606 is a discovery device created by the Legislature to promote a fair and effective equalization process and to take the 'game' and element of surprise out of the proceedings. We should give a reasonable and common sense interpretation to section 1606. If the exchange of information provides reasonable notice to the opposition concerning the subject matter to be presented at the hearing through the testimony of witnesses and evidence, the statute has been complied with . . . We perceive no requirement that the details of the evidence to be introduced must be exchanged. The protaxpayer statutory scheme is equitable since the assessor enjoys a superior advantage, namely, the law presumes that assessments are correct."

However, the Court concluded that the taxpayer had not carried his burden since he had only introduced evidence of past losses, but not of *future* income and expenses. ". . . a prima facie case of overassessment of restricted open-space land under the capitalization of income method (required by the Williamson Act) requires the taxpayer to offer independent proof of the capitalized income value of the land. This requires evidence of projected annual income and expenses from the property together with a capitalization rate to be used in determining the value of the land." *Bank of America* v. *County of Fresno,* 127 Cal. App. 3d 295.

The "In Lieu" Tax Exemption Granted to Insurance Companies Under Former California Constitution, Article XIII, Section 14⅘ (Now Article XIII, Section 28) Only Applies to Insurance-Related Business Activities and does not Apply to Personal Property Owned by an Insurer but Used in an Unrelated Business.

The taxpayer, a mutual insurance company, held title to a hotel and its fixtures and personal property. The hotel was operated by a third party under a lease which gave the insurer 80 percent of the net profits and 20 percent to the third party. The plaintiffs claimed that the fixtures and the personal property were exempt from tax under the "in lieu" tax exemption granted to insurers.

The Court held that the "in lieu" tax exemption is tied to the gross premiums tax which is imposed on insurance companies for the privilege of doing business in the state and which is not a tax on ownership of property. If property owned by the insurer but used in an unrelated business were exempted under the "in lieu" provision, the company could escape taxation of revenue-producing assets altogether since this property would not generate any gross premiums. In this way, the insurer would derive a profit but would not pay the state anything in return, a result the Legislature could not have intended. *Massachusetts Mutual Life Insurance Co.* v. *City and County of San Francisco,* 129 Cal. App. 3d 876.

Under the Commerce Clause of the U. S. Constitution a County Can Tax Personal Property of a Domiciliary Corporation Only to the Extent that the Property is Physically Located in the County.

A California corporation with its principal place of business in Santa Clara County owned two aircraft which were used for airborne geophysical surveys in other states and foreign countries for part of the year. The county assessed a tax on the aircraft for their full value. No other tax was demanded or paid to any other jurisdiction.

The Court held that the county's reliance on *Japan Line, Ltd's* "home-port doctrine" was misplaced, and that while the home-port doctrine was not dead it was functionally comatose. That case said, "If an instrumentality of commerce is domiciled abroad, the country of domicile may have the right, consistently with the custom of nations, to impose a tax on its full value." (441 U.S. at page 447).

The Court further noted that the aircraft were not "instrumentalities of commerce" and that the Court was not aware of any custom which would preclude taxation by foreign countries of these helicopters. The county, therefore, could tax the aircraft only on an apportioned basis for the time that they were physically located in the county. *GeoMetrics* v. *County of Santa Clara,* 127 Cal. App. 3d 940.

Section 1, Subdivision (b), Of Article XIIIA Exempts from the Tax Limit those Pensions and Corresponding Tax Levies Approved by the Voters Before the Limitation Became Effective.

Plaintiff brought a class action alleging that a special tax assessed by the city to provide funds for its obligation to the Public Employees' Retirement System (PERS) violated Article XIIIA of the California Constitution because it exceeded the one percent limit.

The trial court dismissed the suit after the city's demurrer.

The Supreme Court concluded that section 1, subdivision (b) of Article XIIIA exempted from the tax limit those pensions and corresponding tax levies approved by the voters before the limitation became effective.

In 1948, local electors had approved a ballot measure authorizing the city to join the State Employees' Retirement System (now PERS). The city was empowered to "levy and collect annually a special tax sufficient to raise the amount estimated by the city to be required to meet its obligation to the retirement system."

In September 1978 the city levied a special 1978–1979 tax of 48 cents per $100 of assessed value to defray its PERS obligation.

Plaintiff argued that the payment owed to PERS was not a prior "indebedness approved by the voters."

The Court said, "The term 'indebtedness' has no rigid or fixed meaning, but rather must be construed in every case in accord with its context. It can include all financial obligations arising from contract, and it encompasses 'obligations which are yet to become due as well as those which are already matured.' We hold that indebtedness as traditionally understood covers obligations arising under the city's pension plan." Redemption, like indebtedness, is not fixed or inflexible, its meaning derives from context.

Subdivision (b)'s focus on voter approval implies a concern that irrevocable, long-term obligations, solemnly approved by local electorates and entered on faith in taxing powers then available, not be frustrated by a revolutionary tax limitation imposed from outside the community. We should not assume that the phrase "interest and redemption charges" is a hypertechnical, arbitrary category meant to protect some, while excluding other, "indebtedness previously approved by the voters." As the court said in *County of Shasta,* 106 Cal. App. 3d 30, "The aim of subdivision (b), is to prevent the impairment of contracts approved by the voters in reliance to levy the tax necessary to fulfill that contract."

The city and amici urge that Article XIIIA, if construed to repeal the city's special pension tax, might so impair pension rights as to violate the federal contract clause. Substantial issues of that nature indeed are present. The pension provisions of a city charter or ordinance form an integral part of the employment contract, and where feasible, should be construed as providing adequate funds to meet employees' reasonable expectations.

The Court then concluded that subdivision (b) exempted from the Article XIIIA tax limitation the voter-approved tax to fund the city's pension commitments. *Carman* v. *Alvord,* 31 Cal. 3d 318.

SALES AND USE TAXES

Taxpayer Has Burden of Proof to Show it is Entitled to Refund Claim.

In an action by a taxpayer against the State Board of Equalization seeking refunds of sales and use taxes paid on leases of certain equipment, the trial court ruled that the taxpayer had the burden of providing that its lessees had paid the use tax.

The Court of Appeal affirmed, holding that the trial court had properly placed the burden on plaintiff to prove that the lessees had paid the use tax on the leased property and that the Board had properly determined the tax due on fixtures installed by plaintiff under lump sum construction contracts on the basis of the "transfer cost" of such fixtures as set forth in documents prepared by plaintiff for its use in bidding on the construction contracts, since similar fixtures were not sold to contractors on the open market. The court also held the trial court had properly found that plaintiff had not established by a preponderance of admissible evidence that certain sales it had made were in fact for resale. In conclusion, the court held the trial court had properly found plaintiff had failed to meet its burden of showing nontaxability as to a purchase of tangible personal property from an out-of-state manufacturer. *Honeywell, Inc.* v. *State Board of Equalization,* 128 Cal.App.3d 739 (1982)

Failure to Exhaust Administrative Remedies is Jurisdictional Bar.

Plaintiff filed a complaint for declaratory relief and a refund of sales and use tax, alleging he had erroneously overpaid such taxes and had filed a claim for a refund from the State Board of Equalization, which had been denied. Plaintiff also alleged that certain statutes and regulations were unconstitutional in that they imposed sales and use taxes discriminating against the United States and contractors, including plaintiff, who dealt with United States. The Board moved for summary judgment on the ground plaintiff had failed to allege facts constituting a cause of action and had failed to exhaust his administrative remedies. The trial court granted the motion.

The court of appeal affirmed. The court held plaintiff failed to exhaust his administrative remedies by refusing to present factual documentation of his claim for tax refund to the Board so that it could render a decision on the merits of his claim. The failure to exhaust the administrative remedy available to plaintiff, being a jurisdictional bar to court proceedings, left no issues of fact which could be decided by the trial court. The court held under these circumstances it was not incumbent on the trial court to rule on any of plaintiff's allegations involving the invalidity of any statutes relating to sales or use taxes or any administrative regulations relating thereto, under either state or federal law. *E.C. Barnes* v. *State Board of Equalization,* 118 Cal.App.3d 994 (1981)

Board Could Establish Retail Price by Using Plaintiff's Records.

A construction contractor which constructed and installed specialized elevator systems brought an action to recover a portion of the sales taxes it had paid under a lump sum contract which included installation of the system as a part of the building. The tax had been imposed on the sales price for which tangible personal property was sold, excluding the amount charged for labor and services rendered in installing the property. The Board used plaintiff's bid sheets in calculating all anticipated contract costs and profits in determining the "retail price" of self-manufactured components on which the sales tax was assessed, and the trial court upheld that determination. As to electrical switching and controlling devices plaintiff purchased and assembled, the trial court agreed with plaintiff's contention that labor or service supplied by plaintiff was to be considered as labor or service required for the creation of a structure on land and not subject to the imposition of any sales tax, and ordered a refund.

The Court of Appeal reversed with instructions to enter judgment for the State Board. The court held that the trial court was correct in denying any refund with respect to the self-manufactured components. As to the electrical switching and controlling devices, the court held it was not unreasonable for the Board to establish a sales price for those assembled components by taking into consideration the service costs incurred by plaintiff at its central facility, and to rely on the bid sheets and other records of plaintiff to establish a realistic "sales price" for those assemblies in the condition in which they arrived at the job site. Accordingly, the court held that that portion of the judgment awarding plaintiff a refund was erroneous. *Montgomery Elevator Company* v. *State Board of Equalization,* 118 Cal.App. 887 (1981)

Tax Due on Vehicles Purchased by Subsidiary From Parent Corporation.

A Delaware corporation authorized to do business in California, that was a wholly owned subsidiary of a German corporation, brought an action against the State Board of Equalization to recover use taxes paid on vehicles purchased from the parent corporation and another subsidiary. The trial court entered judgment in favor of the Board.

The Court of Appeal affirmed, rejecting plaintiff's contention it was denied equal protection of the law by being subjected to the tax on the basis of the price paid for the vehicles under section 6244 of the Revenue and Taxation Code and Sales and Use Tax regulation 1669 whereas a California merchant that is merely a subdivision of a manufacturer rather than a separate corporation is taxed on the basis of the cost of the manufacturer's raw material. The court held there is a significant difference between wholly owned but separate corporations and divisions of a single corporation, and that if a business elects to conduct that business through the device of separately incorporated, although wholly owned, subsidiaries, and thereby obtain the advantages of separate corporate entities, it must also suffer whatever disadvantages attached to that election. *Mercedes-Benz of North American, Inc.* v. *State Board of Equalization,* 127 Cal.App. 3d 871 (1982)

PERSONAL INCOME TAX

No New Tax Basis for Surviving Spouse's Share of Community Property Unless at Least Half the Community Property Was Subject to State Inheritance Tax.

A surviving spouse sold portions of her own share of community assets. In computing gain or loss on the sales, she used as a tax basis the value of the assets as of the date of her husband's death. The Franchise Tax Board issued proposed assessments on the ground that her interest in the assets did not qualify for a new tax basis. The trial court found for the surviving spouse under former Revenue and Taxation Code, section 18045, subdivision (e), which allows a new tax basis "if at least one-half of the whole of the community interest in such property was includable in determining the value of the decedent's gross estate under Chapter 3 of the California Inheritance Tax Law."

The Court of Appeal reversed and remanded. It interpreted the language quoted above in former section 18045, subdivision (e), as permitting a new tax basis only if at least half of the total community interest in the asset was actually "subject to state inheritance tax under Chapter 3" and not merely subject to administration in the decedent's estate. In the instant case, neither the wife's share of the community property nor the portions of the husband's community property bequeathed to the wife were subject to inheritance tax. The court stated that its approach to subdivision (e) must be taken with respect to each individual item of community property; furthermore, each item cannot acquire an apportioned tax basis, but must qualify for the new basis "as a whole, or not at all." *Mel* v. *Franchise Tax Board* (1981) 119 Cal. App. 3d 898, mod. 120 Cal. App. 3d 682e.

California Beneficiaries of a Hawaii Trust Failed to Prove Which Hawaii Taxes Paid by the Trust were Deductible for California Income Tax Purposes.

California residents who were beneficiaries of a Hawaii trust reported as California income the sums they actually received from the trust. The trust owned no California property; its corpus and trustees were located in Hawaii. The Franchise Tax Board determined that the taxpayers should have included in California income their shares of a "Hawaii General Excise Tax" that the trust had paid to the state of Hawaii.

The Court of Appeal reversed a trial judgment for the taxpayers. The court stated, preliminarily, that trust beneficiaries must report not only the income they actually receive from a trust, but their distributive share of the entire trust income. Turning to the issue of deductibility of the Hawaii taxes, the court noted that under Revenue and Taxation Code, section 17204, subdivision (c) (2), taxpayers may not deduct state taxes imposed ". . . on or according to or measured by income or profits. . . . " The tax that the trust paid to Hawaii was based primarily upon the trust's receipt of interest, rents, and royalties from "rock sales"; not all of these receipts are necessarily included in California's definition of "income or profits". The court held that, as to the interest and rents, the Hawaii tax was ". . . measured by income or profits . . ." and was therefore nondeductible under subdivision (c) (2); as to the royalties, the tax would be a deductible gross receipts tax if the rock sales were part of a manufacturing, merchandising, or mining business. However, the beneficiaries failed to carry their burden of proving that the rock sales were part of such a business. *Robinson* v. *Franchise Tax Board* (1981) 120 Cal. App. 3d 72.

Superior Court Lacks Jurisdiction to Review a Jeopardy Assessment Order.

In execution of a search warrant, police seized certain personal property from petitioner, for use in a criminal investigation against him. The police then delivered the property to the Franchise Tax Board pursuant to an "Order to Withhold Personal Income Tax" issued by the Board. Petitioner was subsequently charged with bookmaking; criminal proceedings against him were terminated upon payment of a fine. He then filed a motion in superior court for an order quashing the search warrant and returning all property seized under the warrant. Upon denial of the motion, he petitioned for a writ of mandate to compel the superior court to conduct an evidentiary hearing on the motion.

The Court of Appeal denied the petition. It held that jeopardy assessment orders to withhold are legal and constitutional, and divest courts of authority to return property to a taxpayer. The property owner's remedy is an administrative proceeding before the Franchise Tax Board and judicial review of the final administrative decision. *Mason* v. *Superior Court of Los Angeles County* (1981) 121 Cal. App. 3d 876.

BANK AND CORPORATION TAXES

Taxpayer and its Latin American Subsidiaries were Engaged in a Unitary Business.

The Franchise Tax Board issued assessments for 1955–1958 against Anaconda Company, a Montana corporation doing business in California, based upon a finding that the corporation was engaged in a unitary business with its Chilean and Mexican subsidiaries.

The Court of Appeal reversed a judgment for the corporation. The court held that the taxpayer and its foreign subsidiaries comprised a unitary business, and that its income was to be apportioned as income "derived from or attributable to sources both within and without the state," in accordance with Revenue and Taxation Code, section 25101. The court noted that a taxpayer's business is unitary if it is characterized by unity of ownership, unity of operation, and unity of use in its executive force. It held that these three unities were in existence in this case, and that foreign governmental regulations to which the subsidiaries were subject did not negate unity of ownership.

Upon rehearing, the court revised, but did not reverse, its earlier opinion. It upheld the Franchise Tax Board's use of its standard three-factor formula to apportion the corporation's unitary business income, despite the formula's alleged failure to take into account differences in production values between the United States and Latin America. The court also held that taxes imposed by the governments of Chile and Mexico did not mandate an adjustment in the formula. Revenue and Taxation Code section 24345, subdivision (a) (2), makes foreign income taxes nondeductible, and the taxpayer failed to show that the taxes do not come under this subdivision. *Anaconda Company* v. *Franchise Tax Board* (1981) 126 Cal. App. 3d 351, sub. opn. (1982) 130 Cal. App. 3d 15.

Interest on Government Securities was Taxable.

A credit union invested its surplus funds in a program operated by a corporation which provided for investments in government securities. In 1975 the corporation applied for and was admitted to membership in the credit union, at the latter's request. Thereafter, the credit union continued to invest in the government securities program. In computing its franchise tax for 1975 and 1976, the credit union deducted the interest earned on the investments, under section 24405 of the Revenue and Taxation Code, which authorizes credit unions to deduct from gross income "all income resulting from or arising out of business activities for or with their members carried on by them or their agents. . . ."

The Court of Appeal affirmed a trial court judgment against the credit union. It held that the corporation's nominal membership in the credit union failed to transform the latter's taxable investments into a tax-free business activity with a member. The record indicated that the credit union made the investment in order to obtain the most favorable return on its funds and not necessarily to produce a savings for the company, and that the credit union did not enjoy a debtor-creditor relationship with the company. The court found that the Legislature primarily intended section 24405 to exempt from taxation transactions between the credit union and its members which produce savings for those members. The court concluded that the investment of surplus funds in government securities, whether or not through a credit union member, is not such a transaction and would not serve the policy behind the statute. The court further held that although the state cannot tax income from United States government securities, the state can constitutionally include such income earned by a credit union in its gross income for purposes of measuring its California franchise tax liability. *Long Beach Fireman's Credit Union* v. *Franchise Tax Board* (1982) 128 Cal. App. 3d 50.

State Remedies Available to Resident Corporation Preclude Federal Jurisdiction over Suit Against California's Application of its Unitary Tax to Parent's Foreign Operations.

Appellants are Capitol Industries—EMI, Inc. ("Capitol"), whose principal place of business is in California, and EMI Limited ("EMI"), a United Kingdom corporation which owns over 70 percent of Capitol's stock and which, with its various subsidiaries, does business primarily outside the United States. The Franchise Tax Board issued an assessment against Capitol, based on a determination that Capitol was engaged in a unitary business with EMI and its subsidiaries. Capitol and EMI filed companion actions in United States District Court against the members of the Franchise Tax Board, seeking to prevent both the proposed assessment and the Tax Board's demand that Capitol produce certain business records of EMI. They argued that unitary treatment of the businesses of Capitol, EMI, and its subsidiaries violated California law and the United States Constitution. The district court treated the Board Members' motions to dismiss both actions as motions for summary judgment, and granted the latter on the ground that the Anti-Injunction Act (28 U.S.C., § 1341) precluded subject matter jurisdiction because plaintiffs had an adequate state court remedy.

The Court of Appeal affirmed the judgment against Capitol but vacated the order; it reversed and remanded as to EMI.

As to Capitol, the court noted that 28 U.S.C., § 1341, prevents federal courts from enjoining the assessment of a state tax "where a plain, speedy and efficient remedy may be had in the courts of such State." California permits a corporate taxpayer such as Capitol to seek review of an assessment through the Franchise Tax Board, the State Board of Equalization, and finally the state courts. The court held that this process offers Capitol "a plain, speedy and efficient remedy" in the California courts, within the meaning of section 1341, and that the district court therefore lacked subject matter jurisdiction over Capitol's claims. The court then held that the proper method of disposing of an action lacking such jurisdiction is an order of dismissal, and the district court erred in entering an order for summary judgment against Capitol. The district court's order against Capitol was therefore vacated and remanded with directions to enter an order of dismissal.

As to the parent corporation, since EMI was not a California taxpayer and was not directly liable for the assessment, it had no state judicial or administrative remedy for its claims against the assessment. The court concluded that in this case section 1341 could not bar the district court from exercising subject matter jurisdiction over EMI's claims. It further held that the Eleventh Amendment of the United States Constitution, which precludes federal courts from hearing suits "commenced or prosecuted against one of the United States," did not bar EMI's action. The court therefore reversed the district court's order granting summary judgment against EMI, and remanded the case. The court suggested that the district court consider whether to stay EMI's federal proceeding pending a determination of state proceedings to be brought by Capitol. *Capitol Industries —EMI, Inc.* v. *Bennett,* —F. 2d—(9th Cir. 1982).

Program Technician Linda Hill, Sonora office, answers a taxpayer's question.

Business Taxes Compliance Supervisor III John Gibbs and Office Supervisor Don Eberle discuss a problem in the Orange County District office.

Program Technician II Lois Jones checks a report in the Nevada City office, Marysville Subdistrict.

Office Assistant Michael Luna provides account information to the public by phone at the Account Reference Unit's information desk.

Supervising Tax Auditor Sheila Montooth reviews audit working papers with Senior Auditor Wayne Mashihara, West Los Angeles District office.

Hollywood District Administrator Keith Lauritzen signs correspondence for his secretary, Harriet Wyant.

Tax Auditor Eugene
dley, Audit Evaluation
Planning, responds to
accountant's inquiry.

In Orange County, Tax Auditor I Jorge Rochas checks video for an answer to his problem.

In San Francisco, Office Assistant Joe Ann Irvin maintains the district's 26,000 account files with the help of Stock Clerk Earl Lee.

PICTURE THE STAFF

Board of Equalization employees at work around the state.

In the Cashier Section, Oakland, Office Assistants Debra Heninger (left) and Myrna Mercado discuss a memorandum.

Auditor Gregory Gale (left) instructs new Auditor Bruce McNaught in fuel tax audit procedures in the San Bernardino District office.

n Headquarters' Reproduction Unit, Machine Operator Paul Fleshman uses an offset press to print one of the Board's many forms.

Office Supervisor Grace Garcia (left) advises Office Technician Pat Lyons on a telephone closeout for a San Diego taxpayer.

Office Assistant Henry Solis photocopies boat registration information from the Department of Motor Vehicles for the Occasional Sales Unit.

Business Taxes Representative I Victoria de Vera, San Mateo, tries to locate a "skip".

Tax Auditor Edward Holford, Inglewood, reviews the audit findings of the District's field auditors.

West Los Angeles District Administrator Bernard Stock reviews collective bargaining contracts with Principal Tax Compliance Supervisor Leon Stein and Principal Auditor Joseph Cohen (left to right).

Auditor Lane Yoshiyama, Inglewood District office, puts finishing touch on a completed audit.

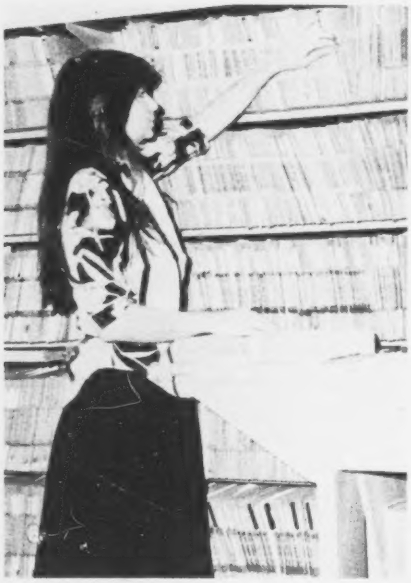
Office Technician Teresa Daniels (seated), Auditor Norine Tanimoto, and Refund Coordinator Ernie Gabrielli discuss the scheduling of refund claims on the Board's calendar.

San Bernardino Auditor David Sniezko reviews procedures in the audit manual before tackling a new assignment.

Chris Tintor, Supply Officer, checks regulation stock in the San Diego District Office supply room.

Oakland Program Technician Jean Kinmon checks geographical card files for taxpayer's permit.

In the Pleasant Hill branch office, Supervising Auditor Anthony Costa (seated) reviews audit records with Tax Auditor Mark Steinberg.



Office Technician Sue Jones keeps account files up-to-date in the Santa Rosa District office.

e M. Manrique discusses permit revocation with Business Representative II Martin P. Matisohn in the Arcadia District e.

In the Excise Tax Unit, Account Clerk Ed Ho posts records of sales of cigarette tax stamps to distributors.

Joan Albu, Supervisor, Audit Evaluation Section, arranges meeting with a district office to discuss findings of a recent evaluation of its audit program.

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BOARD
MEMBERS

GEORGE R. REILLY
First District

ERNEST J. DRONENBURG, JR.
Second District

WILLIAM M. BENNETT
Chairman
Third District

RICHARD NEVINS
Vice Chairman
Fourth District

KENNETH CORY
State Controller

DOUGLAS D. BELL
Executive Secretary

STATISTICAL APPENDIX

ANNUAL REPORT
1981-1982

CALIFORNIA STATE BOARD OF EQUALIZATION

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WHERE TO FIND IT

Page

ADMINISTRATION A-1

PROPERTY TAX DATA A-4

SALES AND USE TAXES A-24

HIGHWAY TAXES

Gasoline A-31
Diesel and Other Fuels A-33

ALCOHOLIC BEVERAGE AND CIGARETTE TAXES

Alcoholic Beverages A-34
Cigarettes A-37

INSURANCE TAX A-38

TABLE 1—SUMMARY OF EXPENDITURES OF THE BOARD
For the period July 1, 1981 to June 30, 1982
(in thousands of dollars)

Function	Expenditures	
	1980–81	1981–82
1	2	3
Personal services	$71,421	$75,538
Operating expenses and equipment:		
General expenses	1,929	2,021
Printing	1,002	1,148
Communications	817	1,051
Postage	901	1,251
Insurance	10	11
Travel—in-state	1,980	1,385
Travel—out-of-state	748	880
Training	78	55
Facilities—operation	3,307	3,682
Utilities	54	46
Consulting & Professional Services: Interdepartmental	3,603	3,882
Data Processing	1,158	1,159
Central Administrative Services	158	205
Equipment	274	48
TOTALS, Operating Expenses and Equipment	$16,019	$16,824
Totals, expenditures	$87,440	$92,362
Reimbursements:		
General Fund	17,812	19,495
Special Funds	4,604	5,169
Net expenditures	$65,024	$67,696

TABLE 2—SUMMARY OF REVENUES FROM TAXES ADMINISTERED BY THE BOARD, BY FISCAL YEAR, 1971–72 TO 1981–82

(In thousands of dollars)

Revenue source 1	1971–72 2	1976–77 3	1980–81 4	1981–82 5
Local taxes on state-assessed properties [a]	$499,649	$611,023	$362,505	$406,536
Private car taxes [a]	4,552	7,373	8,301	4,854
Fuel taxes and fees:				
Motor vehicle fuel license taxes: [b]				
Gasoline tax	682,482	769,978	787,106 [r]	770,628
Jet fuel tax	292	551	891	860
Subtotals	682,774	770,529	787,997 [r]	771,488
Use fuel tax [c]	44,701	61,570	81,635 [r]	81,288
Fees	16	22	34	36
Subtotals	44,717	61,592	81,669 [r]	81,324
Fuel total	727,491	832,121	869,666 [r]	852,812
Sales and use taxes and fees: [c]				
State taxes	1,991,992	4,311,426	7,131,482 [r]	7,689,139
City and county sales taxes	488,966	902,452	1,487,949	1,602,661
County transportation tax [d]	–	226,293	371,864	401,035
Bay Area Rapid Transit District taxes [e]	26,486	48,698	80,588	88,625
Southern California Rapid Transit District taxes [f]	378	129	51	39
Santa Clara County Transit District taxes [g]	–	14,743	45,702	51,529
Santa Cruz Metropolitan Transit District taxes [h]	–	–	4,887	5,258
Fees	193	272	409	448
Totals	2,510,015	5,504,013	9,122,932 [r]	9,838,734
Alcoholic beverage taxes: [c]				
Taxes on beer and wine	17,227	22,210	27,669	28,331
Taxes on distilled spirits	94,576	105,275	115,191	111,193
Totals	111,803	127,485	142,860	139,524
Cigarette tax [c, i]	246,351	269,385	278,161	276,824
Electrical Energy Tax [k]	–	13,989	23,817	30,994
Emergency Telephone Users' Surcharge [l]	–	–	15,760	20,052
Timber Yield Tax [m]	–	–	17,241	14,445
Timber Reserve Fund Tax [m]	–	–	857	8,634
Hazardous Waste Control Tax [n]	–	–	–	1,387
Hazardous Substance Tax [o]	–	–	–	2,068
Grand totals	$4,099,861	$7,365,389	$10,842,100 [r]	$11,596,864 [j]

[a] Revenues shown represent those actually received during the indicated fiscal year. Local taxes extended on state-assessed properties include ad valorem special assessments collected by city and county officials.

[b] Based on business done during the fiscal year, i.e. tax on gasoline distributed. Includes tax, interest and penalties; refunds have not been deducted.

[c] Revenues received during the fiscal year from self-assessments and on tax deficiencies, interest and penalties assessed by the Board and fees collected for the issuance of permits or their reinstatement. Refund claims certified to the Controller by the Board or credited against subsequent tax liabilities during the fiscal year are deducted.

[d] This one-fourth of one percent tax became effective July 1, 1972. At the same time the state sales tax rate was reduced from 4 to 3¾ percent.

[e] This one-half of one percent tax became effective April 1, 1970, in the counties of Alameda, Contra Costa, and San Francisco. The amounts shown for BARTD for the most recent two years include amounts collected for the Metropolitan Transportation Commission: $22,249,184 for 1980–81 and $23,767,546 for 1981–82, including interest. Effective January 1, 1978, 25 percent of the revenue collected under the Bay Area Rapid Transit District Sales Tax was earmarked for MTC which allocates it to the Alameda-Contra Costa Transit District, San Francisco Municipal Railway, and BARTD.

[f] This one-half of one percent tax was effective from July 1, 1970 through December 31, 1970 in Los Angeles County.

[g] This one-half of one percent tax became effective October 1, 1976, in Santa Clara County.

[h] This one-half of one percent tax became effective January 1, 1979, in Santa Cruz County.

[i] Includes $73,905,000 in 1971–72, $80,815,000 in 1976–77, $83,488,000 in 1980–81, and $83,047,000 in 1981–82 earmarked for cities and counties.

[j] Insurance taxes amounted to $472,930,315 but are not shown above because most of the work involved is performed by the Insurance Commissioner.

[k] This tax became effective January 1, 1975.

[l] This tax became effective July 1, 1977.

[m] This tax became effective April 1, 1977, but no revenue was due until 1977–78.

[n] Administration of this tax was transferred to the Board from the Department of Health Services in fiscal year 1981–82.

[o] This tax was first levied in 1981–82 on hazardous waste generated in calendar year 1981.

[r] Revised.

NOTE: Large increases in revenue may be attributable to higher tax rates. Details on rate changes for the business taxes listed above are presented in the following pages of this appendix in the historical table for each tax program.

TABLE 3A—SUMMARY OF TOTAL COSTS OF PERFORMING BOARD FUNCTIONS, 1980–81 and 1981–82

(In thousands of dollars)

Programs	Board expenditures [a]		Non-board expenditures [b]		Total costs	
	1980–81	1981–82	1980–81	1981–82	1980–81	1981–82
1	2	3	4	5	6	7
Local Property Tax Monitoring	1,860	1,970	91	96	1,951	2,066
County assessment standards	2,603	2,477	126	118	2,729	2,595
State-assessed property [c]	3,453	3,517	169	171	3,622	3,688
Timber tax	1,312	1,445	–	–	1,312	1,445
Sales and use tax	71,671	75,580	3,093	2,931	74,764	78,511
Hazardous substances tax	–	201	–	–	–	201
Alcoholic beverage tax	977	866	38	29	1,015	895
Cigarette tax	1,303	1,517	22	26	1,325	1,543
Motor vehicle fuel license tax [d]	455	483	–	–	455	483
Use fuel tax	2,720	2,854	–	–	2,720	2,854
Electrical energy tax	51	60	–	–	51	60
Emergency telephone users surcharge	66	75	–	–	66	75
Insurance tax	76	84	52	37	128	121
Motor vehicle fuel conservation	–	252	–	–	–	252
Appeals from other governmental programs	662	709	25	23	687*	732
Administration and support						
Distributed to other programs [e]	(7,006)	(7,280)	–	–	(7,006)	(7,280)
Non-board programs (reimbursable)	231	272	–	–	231	272
Totals, programs	87,440	92,362	3,616	3,431	91,056	95,793
Reimbursements	–22,416	–24,664	–	–	–22,416	–24,664
Net totals, programs	65,024	67,698	3,616	3,431	68,640	71,129

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[a] Format conforms to Program Budget presentation.

[b] Includes a portion of the cost of operating central agencies that perform services for the Board; such as offices of the Attorney General, the State Controller, and the State Personnel Board.

[c] Includes the cost of assessing and collecting the private car tax.

[d] Does not include the cost of administering gasoline tax refunds or collecting delinquent gasoline taxes which are functions of the Controller.

[e] These administrative costs are already allocated to the above tax programs.

TABLE 3B—REVENUES AND RATIOS OF BOARD EXPENDITURES AND TOTAL COSTS TO REVENUES FROM ASSESSMENTS MADE BY THE BOARD, 1980–81 AND 1981–82 [a]

Tax	Revenues (in thousands)		Ratio of board expenditures to revenues (in percent)		Ratio of total costs to revenues (in percent)	
	1980–81	1981–82	1980–81	1981–82	1980–81	1981–82
1	2	3	4	5	6	7
Local taxes on state-assessed property	$370,806	$411,390	.93	.85	.98	.90
Timber tax	18,098	23,079	7.25	6.26	7.25	6.26
Sales and use tax	9,122,932 [r]	9,838,734	.79 [r]	.77	.82	.80
Hazardous substance tax	–	3,455	–	[c]	–	[c]
Alcoholic beverage tax	142,860	139,524	.68	.62	.71	.64
Cigarette tax	278,161	276,824	.47	.55	.48	.56
Motor vehicle fuel taxes [b]	869,666 [r]	852,813	.37 [r]	.39	.37 [r]	.39
Electrical energy tax	23,817	30,994	.21	.19	.21	.19
Emergency telephone users' surcharge	15,760	20,052	.42	.37	.42	.37
Totals and ratios	$10,842,100	$11,596,865	.76 [r]	.75	.79 [r]	.77

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[a] Format conforms to Program Budget presentation.

[b] Gasoline tax refunds have not been deducted from collections and the cost of making them is not included in expenditures.

[c] Not computed. Expenditures include program start up costs and revenues are not for a full year.

[r] Revised.

TABLE 4—SUMMARY OF ASSESSED VALUES OF PROPERTY SUBJECT TO LOCAL GENERAL PROPERTY TAXES, ASSESSMENT RATIOS AND AVERAGE TAX RATES, 1972–73 to 1982–83 [a]

(Assessed values in millions of dollars)

Assessment agency and type of property	1972–73	1973–74	1974–75	1975–76	1976–77	1977–78	1978–79	1979–80	1980–81	1981–82 [f]	1982–83 [f]
1	2	3	4	5	6	7	8	9	10	11	12
County assessors:											
Land	23,499	24,544	26,854	29,020	32,233	36,245	37,137	43,335	52,199	238,486	263,447
Improvements	29,594	32,095	35,641	40,232	46,476	54,149	58,316	68,106	79,430	359,878	404,347
Totals	53,093	56,639	62,495	69,252	78,709	90,394	95,453	111,441	131,629	598,364	667,794
Tangible personal property	7,115	7,867	8,964	10,590	11,816	12,531	14,481	16,834	8,430	38,404	43,945
Gross tangible property totals	60,208	64,506	71,459	79.842	90,525	102,925	109,934 [d]	128,275	140,059	636,768	711,739
Exemptions:											
Homeowners' exemption	2,051	5,738	6,008	6,352	6,552	6,787	6,938	7,006	7,169	29,138	29,421
Business inventory exemption	1,124	1,920	2,589	3,094	3,454	3,606	4,203	4,997	[e]	[e]	[e]
All other exemptions [b]	1,977	1,838	1,977	2,191	2,388	2,696	2,806	2,895	3,184	14,553	15,460
Net tangible property totals: [c]											
Net of "all other exemptions" [b]	58,231	62,668	69,482	77,651	88,137	100,229	107,130 [d]	125,380	136,874	622,215	696,279
Net of all exemptions	55,056	55,010	60,885	68,205	78,131	89,836	95,987 [d]	113,377	129,706	593,077	666,858
State Board of Equalization:											
Land	374	404	430	422	430	423	460	487	547	2,895	3,390
Improvements	2,410	2,466	2,483	2,594	2,893	3,431	6,001	6,546	6,911	30,430	34,896
Totals	2,784	2,870	2,912	3,016	3,323	3,854	6,461	7,033	7,458	33,325	38,286
Tangible personal property	1,777	1,740	1,904	2,025	2,257	2,611	461	408	407	2,387	2,546
Gross tangible property totals	4,561	4,610	4,816	5,041	5,580	6,465	6,922	7,441	7,865	35,712	40,833
Business inventory exemptions	2	3	8	13	23	37	48	51	[e]	[e]	[e]
Net tangible property totals	4,559	4,607	4,809	5,028	5,557	6,428	6,874	7,390	7,865	35,712	40,833
Totals all property:											
Land	23,872	24,948	27,284	29,442	32,663	36,668	37,598	43,822	52,746	241,381	266,837
Improvements	32,004	34,561	38,124	42,826	49,369	57,580	64,317	74,652	86,341	390,308	439,243
Totals	55,876	59,509	65,408	72,268	82,032	94,248	101,915	118,474	139,087	631,689	706,080
Tangible personal property	8,892	9,607	10,868	12,615	14,073	15,143	14,943	17,242	8,837	40,792	46,491
Gross tangible property totals	64,768	69,116	76,276	84,883	96,105	109,391	116,858 [d]	135,715	147,924	672,481	752,572
Net tangible property totals: [c]											
Net of "all other exemptions" [b]	62,791	67,278	74,299	82,692	93,717	106,694	114,052 [d]	132,821	144,739	657,928	737,112
Net of all exemptions	59,614	59,617	65,693	73,233	83,687	96,264	102,862 [d]	120,767	137,570	628,789	707,691
Ratios of assessed to full value of locally assessed property (percent)	24.5	23.8	24.2	24.7	25.1	23.0	–	–	–	–	–
Statewide average tax rates (per $100 assessed valuation)	$11.46	$11.15	$11.24	$11.33	$11.19	$10.68	$4.79	$4.69	$4.63	$1.144	–

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[a] Excludes assessments of railroad cars for application of the State's private car tax (see Tables 17A and 17B) or assessments of motor vehicles for application of the "vehicle license fee", an ad valorem excise tax administered by the Department of Motor Vehicles and exacted from owners of motor vehicles in lieu of general property tax.

[b] "All other exemptions" include those for veterans, churches, religious properties, colleges, schools below college grade, hospitals, and charitable properties.

[c] Tax rates are set on assessed values which include the homeowners' exemption and exclude "all other exemptions" from the gross. Taxes are actually levied on values "net of all exemptions" and the State reimburses local governments for all of the tax loss attributable to the homeowners' exemption.

[d] Does not include changes made after September 1978 to county-assessed 1978–79 roll values. The revised totals shown below reflect the changes made through April 1979. A revised breakdown by type of property is not available.

Revised 1978–79 totals in millions of dollars

	County assessors	Totals all property
Gross tangible property totals	$112,620	$119,542
Net tangible property totals		
Net of "all other exemptions"	109,815	116,737
Net of all exemptions	98,673	105,547

[e] Business inventories became totally exempt effective on the 1980–81 property tax rolls and are no longer enrolled.

[f] The ratio of assessed value to taxable value was changed to 100 percent (from 25 percent) beginning with the lien date for 1981–82.

NOTE: Detail may not add to total because of rounding.

TABLE 5—ASSESSED VALUE OF STATE- AND COUNTY-ASSESSED PROPERTY SUBJECT TO GENERAL PROPERTY TAXES, INCLUSIVE OF THE HOMEOWNERS' EXEMPTION, BY CLASS OF PROPERTY AND BY COUNTY, 1982–83 [a]

(In thousands of dollars)

County	Land	Improvements	Personal property [b]	Exemptions	Net total	Percent change year to year
1	2	3	4	5	6	7
Alameda	$11,899,023	$15,909,844	$2,061,637	$845,453	$29,025,051	10.3
Alpine	44,994	63,766	2,995	252	111,503	15.2
Amador	284,700	504,249	65,942	5,659	849,232	8.6
Butte	1,379,040	2,451,615	284,427	89,131	4,025,951	11.0
Calaveras	397,452	575,562	31,229	7,303	996,940	12.5
Colusa	568,022	315,109	117,880	8,097	992,914	20.9
Contra Costa	7,759,188	15,982,522	1,026,378	300,719	24,467,369	12.8
Del Norte	142,117	239,965	39,554	5,308	416,328	9.5
El Dorado	1,189,709	2,476,714	104,061	36,828	3,733,656	11.6
Fresno	5,104,751	9,586,136	1,283,017	316,902	15,657,002	5.3
Glenn	458,694	423,135	88,506	6,156	964,179	9.9
Humboldt	821,508	1,682,025	195,929	57,316	2,642,146	8.1
Imperial	948,422	978,095	220,247	21,470	2,125,294	9.3
Inyo	535,788	300,149	40,587	11,278	865,246	11.2
Kern	14,389,341	8,302,878	1,012,236	220,631	23,483,824	8.9
Kings	581,699	1,084,613	211,421	24,879	1,852,854	9.0
Lake	961,482	728,188	47,408	14,732	1,722,346	23.4
Lassen	242,205	286,468	46,305	4,322	570,656	8.6
Los Angeles	78,909,922	121,778,765	12,273,011	5,201,117	207,760,581	11.5
Madera	780,704	1,385,619	177,850	19,403	2,324,770	8.7
Marin	3,070,805	5,712,801	292,648	188,340	8,887,914	9.3
Mariposa	200,217	190,940	21,082	2,766	409,473	10.0
Mendocino	784,892	1,224,040	98,964	40,023	2,067,873	9.2
Merced	1,313,137	2,135,328	280,500	47,589	3,681,376	11.6
Modoc	239,866	143,486	33,644	2,659	414,337	10.6
Mono	335,320	625,226	33,206	1,945	991,807	28.4
Monterey	3,128,786	5,264,430	574,777	131,255	8,836,738	10.6
Napa	1,075,979	1,934,530	155,972	101,383	3,065,098	10.4
Nevada	862,546	1,391,523	56,194	18,965	2,291,298	15.5
Orange	27,646,358	39,013,200	4,644,479	767,369	70,536,668	14.5
Placer	1,582,268	3,146,926	213,521	44,740	4,897,975	13.0
Plumas	315,901	671,087	30,829	6,692	1,011,125	10.7
Riverside	7,885,040	13,677,572	697,689	351,321	21,908,980	12.5
Sacramento	5,038,167	13,766,505	890,180	395,172	19,299,680	11.4
San Benito	304,720	428,095	52,209	5,464	779,560	10.8
San Bernardino	6,126,358	17,051,045	1,151,609	593,909	23,735,103	12.3
San Diego	20,913,231	32,293,640	2,833,924	924,494	55,116,301	12.6
San Francisco	7,044,459	15,882,866	1,375,122	892,145	23,410,302	15.2
San Joaquin	2,800,304	6,218,622	839,633	291,521	9,567,038	9.0
San Luis Obispo	2,071,147	3,694,396	393,049	50,448	6,108,144	17.0
San Mateo	7,036,137	14,515,868	2,117,026	653,813	23,015,218	8.7
Santa Barbara	4,145,602	5,848,721	547,439	236,041	10,305,721	10.8
Santa Clara	12,161,970	27,833,495	5,704,570	1,429,948	44,270,087	17.1
Santa Cruz	2,128,367	3,514,111	301,710	120,064	5,824,124	11.7
Shasta	1,071,817	2,368,715	207,696	46,797	3,601,431	10.5
Sierra	89,759	72,198	11,213	1,756	171,414	19.8
Siskiyou	487,367	679,653	109,119	16,438	1,259,701	9.2
Solano	1,994,910	3,981,460	448,493	78,920	6,345,943	10.4
Sonoma	4,453,894	5,917,068	389,078	125,103	10,634,937	15.6
Stanislaus	2,078,133	4,854,252	452,119	159,113	7,225,391	8.2
Sutter	864,134	935,083	194,287	24,418	1,969,086	14.9
Tehama	414,473	717,123	72,337	20,923	1,183,010	10.9
Trinity	161,474	171,161	19,203	1,762	350,076	6.6
Tulare	1,611,728	3,700,710	433,808	77,933	5,668,313	8.1
Tuolumne	430,646	758,931	57,381	17,030	1,229,928	11.8
Ventura	6,195,713	11,119,891	1,087,701	317,415	18,085,890	13.7
Yolo	1,022,189	2,106,343	239,094	43,999	3,323,627	8.2
Yuba	350,496	626,984	99,086	33,175	1,043,391	12.8
Totals	$266,837,071	$439,243,442	$46,491,211	$15,459,804	$737,111,920	12.0

[a] The value of the homeowners' exemption, $29,421,069,000, has been included in the valuations by type of property and excluded from exemptions because tax rates are set on assessed values which include it.

[b] Excludes railroad cars operated by private car companies, which were assessed at $581,697,000 and are subject to exclusive state taxation.

TABLE 6—ASSESSED VALUE OF STATE-ASSESSED PROPERTY SUBJECT TO GENERAL PROPERTY TAXES, BY CLASS OF PROPERTY AND BY COUNTY, 1982–83

(In thousands of dollars)

County 1	Land 2	Improvements 3	Personal property [a] 4	Total 5	Percent change year to year 6
Alameda	$116,843	$1,216,882	$96,049	$1,429,774	9.2
Alpine	3,377	7,429	7	10,813	7.1
Amador	5,379	122,331	6,735	134,445	17.3
Butte	15,766	331,519	7,727	355,012	14.7
Calaveras	2,858	71,216	740	74,814	18.2
Colusa	1,525	56,320	1,361	59,206	11.7
Contra Costa	159,553	1,269,540	217,062	1,646,155	8.9
Del Norte	378	17,900	502	18,780	5.7
El Dorado	4,363	166,990	7,720	179,073	12.6
Fresno	82,548	1,418,208	20,829	1,521,585	19.2
Glenn	2,893	66,418	779	70,090	11.8
Humboldt	4,802	202,540	10,863	218,205	14.0
Imperial	7,091	98,818	7,113	113,022	18.3
Inyo	8,193	52,445	1,435	62,073	7.1
Kern	82,792	867,033	24,676	974,501	14.9
Kings	3,462	129,725	2,100	135,287	13.5
Lake	3,896	103,576	411	107,883	20.2
Lassen	3,419	48,638	6,612	58,669	−1.4
Los Angeles	1,223,819	7,558,567	597,217	9,379,603	13.1
Madera	33,961	209,901	3,621	247,483	14.9
Marin	25,773	276,244	3,115	305,132	22.2
Mariposa	485	27,221	392	28,098	18.9
Mendocino	5,678	122,702	1,907	130,287	10.5
Merced	11,962	208,563	5,581	226,106	16.8
Modoc	1,783	37,854	4,477	44,114	2.9
Mono	4,687	35,159	218	40,064	7.8
Monterey	23,766	604,474	189,172	817,412	17.9
Napa	5,081	115,198	1,147	121,426	17.5
Nevada	16,097	142,639	2,354	161,090	18.4
Orange	198,658	2,015,332	140,411	2,354,401	8.6
Placer	40,214	279,271	15,347	334,832	11.4
Plumas	35,459	281,327	4,027	320,813	12.0
Riverside	45,701	938,964	24,951	1,009,616	1.6
Sacramento	70,120	883,278	39,199	992,597	21.1
San Benito	1,464	59,924	388	61,776	19.0
San Bernardino	87,688	1,863,885	189,576	2,141,149	9.6
San Diego	167,507	3,826,455	313,871	4,307,833	20.4
San Francisco	100,518	1,222,976	116,809	1,440,303	11.2
San Joaquin	177,478	518,757	24,261	720,496	14.8
San Luis Obispo	34,049	1,345,016	136,458	1,515,523	24.0
San Mateo	123,404	628,452	18,261	770,117	21.5
Santa Barbara	117,176	334,263	7,153	458,592	11.7
Santa Clara	61,742	1,337,977	40,447	1,440,166	15.9
Santa Cruz	8,974	191,952	1,512	202,438	15.2
Shasta	38,900	531,081	10,729	580,710	14.0
Sierra	10,668	10,870	187	21,725	79.0
Siskiyou	12,358	109,495	12,849	134,702	2.6
Solano	22,024	300,284	5,672	327,980	16.8
Sonoma	14,035	591,686	9,478	615,199	20.4
Stanislaus	21,983	275,055	8,281	305,319	11.9
Sutter	3,230	96,388	1,844	101,462	12.2
Tehama	3,183	119,751	2,895	125,829	13.8
Trinity	715	28,143	538	29,396	6.0
Tulare	18,984	366,778	8,126	393,888	8.1
Tuolumne	4,863	96,017	4,604	105,484	15.3
Ventura	83,326	792,535	176,424	1,052,285	27.1
Yolo	20,793	174,655	5,155	200,603	12.2
Yuba	2,817	89,768	4,997	97,582	15.4
Totals	$3,390,261	$34,896,385	$2,546,372	$40,833,018	14.3

[a] Excludes railroad cars operated by private car companies, which were assessed at $581,697,000 and are subject to exclusive state taxation.

TABLE 7—ASSESSED VALUE OF COUNTY-ASSESSED PROPERTY SUBJECT TO GENERAL PROPERTY TAXES, INCLUSIVE OF THE HOMEOWNERS' EXEMPTION, BY CLASS OF PROPERTY AND BY COUNTY, 1982–83[a]

(In thousands of dollars)

County 1	Land 2	Improvements 3	Personal property 4	Exemptions 5	Net total 6	Percent change year to year 7
Alameda	$11,782,180	$14,692,962	$1,965,588	$845,453	$27,595,277	10.3
Alpine	41,617	56,337	2,988	252	100,690	16.1
Amador	279,321	381,918	59,207	5,659	714,787	7.2
Butte	1,363,274	2,120,096	276,700	89,131	3,670,939	10.7
Calaveras	394,594	504,346	30,489	7,303	922,126	12.1
Colusa	566,497	258,789	116,519	8,097	933,708	21.5
Contra Costa	7,599,635	14,712,982	809,316	300,719	22,821,214	13.1
Del Norte	141,739	222,065	39,052	5,308	397,548	9.7
El Dorado	1,185,346	2,309,724	96,341	36,828	3,554,583	11.6
Fresno	5,022,203	8,167,928	1,262,188	316,902	14,135,417	4.0
Glenn	455,801	356,717	87,727	6,156	894,089	9.8
Humboldt	816,706	1,479,485	185,066	57,316	2,423,941	7.6
Imperial	941,331	879,277	213,134	21,470	2,012,272	8.8
Inyo	527,595	247,704	39,152	11,278	803,173	11.5
Kern	14,306,549	7,435,845	987,560	220,631	22,509,323	8.7
Kings	578,237	954,888	209,321	24,879	1,717,567	8.7
Lake	957,586	624,612	46,997	14,732	1,614,463	23.6
Lassen	238,786	237,830	39,693	4,322	511,987	9.8
Los Angeles	77,686,103	114,220,198	11,675,794	5,201,117	198,380,978	11.4
Madera	746,743	1,175,718	174,229	19,403	2,077,287	8.0
Marin	3,045,032	5,436,557	289,533	188,340	8,582,782	8.9
Mariposa	199,732	163,719	20,690	2,766	381,375	9.4
Mendocino	779,214	1,101,338	97,057	40,023	1,937,586	9.1
Merced	1,301,175	1,926,765	274,919	47,589	3,455,270	11.3
Modoc	238,083	105,632	29,167	2,659	370,223	11.6
Mono	330,633	590,067	32,988	1,945	951,743	29.5
Monterey	3,105,020	4,659,956	385,605	131,255	8,019,326	10.0
Napa	1,070,898	1,819,332	154,825	101,383	2,943,672	10.1
Nevada	846,449	1,248,884	53,840	18,965	2,130,208	15.3
Orange	27,447,700	36,997,868	4,504,068	767,369	68,182,267	14.7
Placer	1,542,054	2,867,655	198,174	44,740	4,563,143	13.1
Plumas	280,442	389,760	26,802	6,692	690,312	10.1
Riverside	7,839,339	12,738,608	672,738	351,321	20,899,364	13.1
Sacramento	4,968,047	12,883,227	850,981	395,172	18,307,083	11.0
San Benito	303,256	368,171	51,821	5,464	717,784	10.2
San Bernardino	6,038,670	15,187,160	962,033	593,909	21,593,954	12.6
San Diego	20,745,724	28,467,185	2,520,053	924,494	50,808,468	11.9
San Francisco	6,943,941	14,659,890	1,258,313	892,145	21,969,999	15.5
San Joaquin	2,622,826	5,699,865	815,372	291,521	8,846,542	8.6
San Luis Obispo	2,037,098	2,349,380	256,591	50,448	4,592,621	14.9
San Mateo	6,912,733	13,887,416	2,098,765	653,813	22,245,101	8.3
Santa Barbara	4,028,426	5,514,458	540,286	236,041	9,847,129	10.7
Santa Clara	12,100,228	26,495,518	5,664,123	1,429,948	42,829,921	17.1
Santa Cruz	2,119,393	3,322,159	300,198	120,064	5,621,686	11.6
Shasta	1,032,917	1,837,634	196,967	46,797	3,020,721	9.8
Sierra	79,091	61,328	11,026	1,756	149,689	14.3
Siskiyou	475,009	570,158	96,270	16,438	1,124,999	10.1
Solano	1,972,886	3,681,176	442,821	78,920	6,017,963	10.1
Sonoma	4,439,859	5,325,382	379,600	125,103	10,019,738	15.4
Stanislaus	2,056,150	4,579,197	443,838	159,113	6,920,072	8.1
Sutter	860,904	838,695	192,443	24,418	1,867,624	15.0
Tehama	411,290	597,372	69,442	20,923	1,057,181	10.5
Trinity	160,759	143,018	18,665	1,762	320,680	6.7
Tulare	1,592,744	3,333,932	425,682	77,933	5,274,425	8.1
Tuolumne	425,783	662,914	52,777	17,030	1,124,444	11.4
Ventura	6,112,387	10,327,356	911,277	317,415	17,033,605	12.9
Yolo	1,001,396	1,931,688	233,939	43,999	3,123,024	8.0
Yuba	347,679	537,216	94,089	33,175	945,809	12.5
Totals	$263,446,810	$404,347,057	$43,944,839	$15,459,804	$696,278,902	11.9

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[a] The value of the homeowners' exemption, $29,421,069,000, has been included in the valuations by type of property and excluded from exemptions because tax rates are set on assessed values which include it.

TABLE 8—NUMBER AND ASSESSED VALUE OF VETERANS', CHURCH, RELIGIOUS, COLLEGE AND WELFARE EXEMPTIONS, 1982–83

(Assessed values in thousands of dollars)

County	Total exempt value [a]		Veterans' exemptions [c]		Church and Religious exemptions [f]	
	Assessed value	As percent of tax base [b]	Number	Assessed value	Number	Assessed value
1	2	3	4	5	6	7
Alameda	$845,218	2.9	303	$9,823	617	$123,422
Alpine	252	0.2	1	56	1	35
Amador	5,659	0.7	22	496	37	3,483
Butte	89,131	2.2	152	3,576	167	26,069
Calaveras	7,301	0.7	28	356	45	4,362
Colusa	8,097	0.8	15	128	42	2,311
Contra Costa	300,682	1.2	221	8,177	394	103,427
Del Norte [d]	5,261	1.3	24	240	25	4,203
El Dorado	36,847	1.0	71	2,706	56	11,338
Fresno [d]	316,902	2.0	220	4,379	575	102,809
Glenn	6,156	0.6	17	351	45	5,225
Humboldt [d]	57,293	2.2	80	1,558	194	16,498
Imperial	21,470	1.0	112	456	128	16,878
Inyo	11,278	1.3	15	126	45	4,567
Kern	209,398	0.9	357	3,028	491	90,139
Kings [d]	24,879	1.3	94	794	154	12,472
Lake	14,732	0.9	90	1,081	83	4,230
Lassen	4,322	0.8	32	435	53	3,552
Los Angeles [d]	5,201,117	2.5	1,978	51,432	3,769	925,306
Madera	19,403	0.8	53	803	105	9,670
Marin	193,981	2.2	104	4,147	117	32,921
Mariposa	2,745	0.7	30	328	19	736
Mendocino [d]	40,318	1.9	58	701	104	7,299
Merced	47,589	1.3	159	4,018	198	22,392
Modoc	2,659	0.6	20	108	33	981
Mono [d]	1,945	0.2	3	31	13	1,724
Monterey [d]	131,255	1.5	239	8,937	179	34,279
Napa	101,383	3.3	47	1,445	88	21,414
Nevada [d]	18,970	0.8	80	2,155	54	6,994
Orange [d]	789,687	1.1	627	24,576	665	217,398
Placer	44,740	0.9	87	2,292	114	17,707
Plumas	6,692	0.7	15	417	40	3,682
Riverside [d]	350,924	1.6	514	14,412	505	88,571
Sacramento	396,570	2.1	521	17,211	820	120,803
San Benito	5,464	0.7	8	365	20	2,703
San Bernardino [d]	593,537	2.5	714	14,652	1,054	147,223
San Diego	924,494	1.7	1,321	48,533	649	151,994
San Francisco	869,027	3.7	116	3,635	557	133,924
San Joaquin	291,559	3.0	147	4,049	407	67,304
San Luis Obispo	50,469	0.8	77	1,818	202	27,061
San Mateo	654,046	2.8	166	6,052	269	90,468
Santa Barbara	236,041	2.3	154	5,539	188	52,987
Santa Clara	1,429,253	3.2	348	12,826	562	187,837
Santa Cruz [d]	120,316	2.1	78	2,586	185	25,639
Shasta [d]	46,789	1.3	101	2,713	146	20,522
Sierra	1,756	1.0	6	128	13	466
Siskiyou	16,438	1.3	113	907	103	5,124
Solano [d]	78,920	1.2	325	11,050	174	17,586
Sonoma	125,196	1.2	202	6,322	262	34,019
Stanislaus	159,607	2.2	132	2,745	359	74,495
Sutter	24,418	1.2	27	1,033	90	14,577
Tehama	20,923	1.8	53	597	67	7,541
Trinity	1,763	0.5	19	114	20	1,341
Tulare [d]	77,933	1.4	132	1,930	500	49,685
Tuolumne	17,030	1.4	69	1,126	45	6,135
Ventura	317,415	1.8	186	7,266	271	84,882
Yolo	43,999	1.3	54	1,417	101	13,407
Yuba [d]	33,175	3.2	65	1,160	74	8,147
Totals	$15,454,424	2.1	11,002	$309,542	16,293	$3,271,964

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[a] Includes all exempt values for which exemption claims are required except those arising from the homeowners' exemption law.

[b] The tax base includes the values of the homeowners' exemption but excludes all other exemptions. Tax base is given in column 6 of Table 5.

[c] Blind and disabled veterans included in these figures numbered 7,935 with an exempt value of $300,011,000. Comparable figures for 1981–82 were 7,892 and $291,154,000.

TABLE 8—NUMBER AND ASSESSED VALUE OF VETERANS', CHURCH, RELIGIOUS, COLLEGE AND WELFARE EXEMPTIONS, 1982–83—Concluded

(Assessed values in thousands of dollars)

	College exemptions: private non-profit		Welfare exemptions					
			Schools below college grade: private non-profit		Hospitals: private non-profit		Other charitable properties[e]	
County	Number	Assessed value	Number	Assessed value	Number	Assessed value	Number	Assessed value
8	9	10	11	12	13	14	15	16
Alameda	29	$58,684	–	–	20	$292,983	901	$360,306
Alpine	–	–	–	–	–	–	2	161
Amador	–	–	–	–	–	–	21	1,680
Butte	–	–	28	$3,156	15	46,259	66	10,071
Calaveras	–	–	1	245	–	–	14	2,338
Colusa	–	–	1	213	1	5,445	–	–
Contra Costa	5	25,271	65	30,957	9	80,264	200	52,586
Del Norte	–	–	1	338	–	–	10	480
El Dorado	–	–	2	1,151	2	13,427	69	8,225
Fresno	5	7,775	45	13,870	19	112,823	226	74,822
Glenn	–	–	1	200	–	–	8	380
Humboldt	–	–	11	5,086	5	16,329	129	16,459
Imperial	–	–	6	1,844	–	–	30	2,292
Inyo	1	3,293	15	757	–	–	38	2,535
Kern	–	–	23	9,607	13	68,499	133	38,125
Kings	–	–	5	2,494	1	4,053	29	4,931
Lake	–	–	2	168	1	3,358	47	5,895
Lassen	–	–	3	18	–	–	4	317
Los Angeles	75	907,843	349	282,379	130	1,680,520	2,647	1,353,637
Madera	–	–	–	–	2	6,274	29	2,656
Marin	16	36,493	79	30,326	2	25,115	271	64,979
Mariposa	–	–	2	248	–	–	19	1,233
Mendocino	5	1,023	25	3,835	3	10,329	169	16,606
Merced	–	–	6	2,034	2	13,483	41	5,662
Modoc	–	–	–	–	3	1,465	4	105
Mono	–	–	–	–	–	–	5	190
Monterey	8	2,745	17	17,146	4	30,656	150	37,492
Napa	7	22,108	25	11,536	6	33,2[illegible]0	50	11,490
Nevada	–	–	8	1,065	4	4,820	78	3,936
Orange	37	38,356	315	96,991	26	297,359	447	115,007
Placer	–	–	4	2,232	7	5,113	83	17,396
Plumas	–	–	1	166	–	–	15	2,427
Riverside	5	27,995	12	7,833	8	89,370	297	122,743
Sacramento	23	6,955	108	33,518	50	150,243	407	67,840
San Benito	–	–	6	1,055	–	–	7	1,341
San Bernardino	53	56,826	68	14,211	52	215,185	690	145,440
San Diego	34	44,647	118	62,428	24	199,987	1,067	416,905
San Francisco	45	34,218	216	115,987	87	327,780	628	253,483
San Joaquin	2	81,978	31	17,759	5	78,792	190	41,677
San Luis Obispo	1	21	27	4,317	–	–	96	17,252
San Mateo	7	198,384	63	55,101	5	125,340	358	178,701
Santa Barbara	2	13,559	35	33,709	3	51,362	152	78,885
Santa Clara	13	674,902	57	62,758	10	262,699	422	228,231
Santa Cruz	52	4,517	64	17,819	4	30,489	361	39,266
Shasta	–	–	9	2,915	1	16,693	51	3,946
Sierra	–	–	–	–	–	–	13	1,162
Siskiyou	–	–	–	–	4	6,405	30	4,002
Solano	–	–	28	9,427	13	32,106	72	8,751
Sonoma	–	–	22	12,842	6	33,052	247	38,961
Stanislaus	–	–	16	9,847	4	39,348	129	33,172
Sutter	–	–	9	1,258	3	6,591	15	959
Tehama	–	–	3	1,530	1	7,673	16	3,582
Trinity	–	–	3	248	–	–	12	60
Tulare	–	–	10	2,734	8	3,365	104	20,219
Tuolumne	2	15	1	128	2	6,396	25	3,230
Ventura	15	30,511	34	25,633	10	44,171	228	124,952
Yolo	–	–	46	3,876	3	19,573	100	5,726
Yuba	–	–	–	–	4	11,784	50	11,497
Totals	442	$2,278,119	2,025	$1,014,995	582	$4,510,368	11,702	$4,066,402

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[d] An additional exemption enacted by the Legislature in 1975, Section 155.20 of the Revenue and Taxation Code, permits counties to exempt property having low full value. The statute allows the exemption where the tax proceeds are less than the costs of administration, up to a full value of less than $1,500. Six counties adopted ordinances and exempted the following amounts on the 1982 rolls: Fresno, $424,000; Humboldt, $1,363,000; Kings, $135,000; Mendocino, $585,000; Monterey, not reported; and Yuba, $587,000. An additional ten counties: Del Norte, Los Angeles, Mono, Nevada, Orange, Riverside, San Bernardino, Shasta, Solano, and Tulare have adopted ordinances and exempt low value properties by assigning them a taxable value of zero.

[e] General welfare agencies, youth service agencies, orphanages, and religious properties other than churches.

[f] The religious exemption was created by the Legislature effective January 1, 1982 exempting property used exclusively for religious purposes. Religious exemptions have been combined in this table with church exemptions because most of the properties now getting the religious exemption formerly received the church exemption.

TABLE 9—GROSS ASSESSED VALUE OF STATE- AND COUNTY-ASSESSED PROPERTY, NUMBER OF HOMEOWNERS' EXEMPTIONS, EXEMPT VALUE BY TYPE OF EXEMPTION, AND NET ASSESSED VALUE SUBJECT TO GENERAL PROPERTY TAXES, 1982–83 [a]

(Assessed values in thousands of dollars)

County	Gross assessed value	Number of homeowners' exemptions	Exempt value			Taxable assessed value (net of all exemptions)
			Homeowners'	All other	Total	
1	2	3	4	5	6	7
Alameda	$29,870,504	207,865	$1,454,472	$845,453	$2,299,925	$27,570,579
Alpine	111,755	160	1,120	252	1,372	110,383
Amador	854,891	5,121	35,121	5,659	40,780	814,111
Butte	4,115,082	31,506	220,006	89,131	309,137	3,805,945
Calaveras	1,004,243	5,562	38,930	7,303	46,233	958,010
Colusa	1,001,011	2,737	18,995	8,097	27,092	973,919
Contra Costa	24,768,088	153,047	1,071,290	300,719	1,372,009	23,396,079
Del Norte	421,636	3,707	25,432	5,308	30,740	390,896
El Dorado	3,770,484	18,813	131,589	36,828	168,417	3,602,067
Fresno	15,973,904	88,617	619,308	316,902	936,210	15,037,694
Glenn	970,335	4,458	31,028	6,156	37,184	933,151
Humboldt	2,699,462	21,028	146,779	57,316	204,095	2,495,367
Imperial	2,146,764	14,032	96,355	21,470	117,825	2,028,939
Inyo	876,524	2,878	19,827	11,278	31,105	845,419
Kern	23,704,455	73,570	511,524	220,631	732,155	22,972,300
Kings	1,877,733	12,024	83,051	24,879	107,930	1,769,803
Lake	1,737,078	10,246	70,872	14,732	85,604	1,651,474
Lassen	574,978	4,476	30,876	4,322	35,198	539,780
Los Angeles	212,961,698	1,163,061	8,109,779	5,201,117	13,310,896	199,650,802
Madera	2,344,173	12,195	84,741	19,403	104,144	2,240,029
Marin	9,076,254	48,448	339,065	188,340	527,405	8,548,849
Mariposa	412,239	2,446	16,926	2,766	19,692	392,547
Mendocino	2,107,896	13,443	94,101	40,023	134,124	1,973,772
Merced	3,728,965	22,545	157,072	47,589	204,661	3,524,304
Modoc	416,996	2,269	15,523	2,659	18,182	398,814
Mono	993,752	1,228	8,509	1,945	10,454	983,298
Monterey	8,967,993	43,052	301,342	131,255	432,597	8,535,396
Napa	3,166,481	19,368	135,256	101,383	236,639	2,929,842
Nevada	2,310,263	13,329	93,060	18,965	112,025	2,198,238
Orange	71,304,037	360,658	2,512,931	767,369	3,280,300	68,023,737
Placer	4,942,715	27,656	193,316	44,740	238,056	4,704,659
Plumas	1,017,817	4,168	29,037	6,692	35,729	982,088
Riverside	22,260,301	131,719	919,776	351,321	1,271,097	20,989,204
Sacramento	19,694,852	165,630	1,159,179	395,172	1,554,351	18,140,501
San Benito	785,024	4,255	28,980	5,464	34,444	750,580
San Bernardino	24,329,012	172,164	1,202,046	593,909	1,795,955	22,533,057
San Diego	56,040,795	309,839	2,168,684	924,494	3,093,178	52,947,617
San Francisco	24,302,447	95,912	671,048	892,145	1,563,193	22,739,254
San Joaquin	9,858,559	67,119	469,495	291,521	761,016	9,097,543
San Luis Obispo	6,158,592	28,370	198,264	50,448	248,712	5,909,880
San Mateo	23,669,031	126,649	886,475	653,813	1,540,288	22,128,743
Santa Barbara	10,541,762	50,090	350,580	236,041	586,621	9,955,141
Santa Clara	45,700,035	242,915	1,699,272	1,429,948	3,129,220	42,570,815
Santa Cruz	5,944,188	34,309	240,159	120,064	360,223	5,583,965
Shasta	3,648,228	24,156	168,252	46,797	215,049	3,433,179
Sierra	173,170	716	4,963	1,756	6,719	166,451
Siskiyou	1,276,139	9,596	66,295	16,438	82,733	1,193,406
Solano	6,424,863	46,065	322,241	78,920	401,161	6,023,702
Sonoma	10,760,040	61,252	428,357	125,103	553,460	10,206,580
Stanislaus	7,384,504	51,965	363,412	159,113	522,525	6,861,979
Sutter	1,993,504	10,293	71,998	24,418	96,416	1,897,088
Tehama	1,203,933	9,340	65,020	20,923	85,943	1,117,990
Trinity	351,838	2,673	18,542	1,762	20,304	331,534
Tulare	5,746,246	43,253	300,921	77,933	378,854	5,367,392
Tuolumne	1,246,958	7,890	55,057	17,030	72,087	1,174,871
Ventura	18,403,305	96,742	676,498	317,415	993,913	17,409,392
Yolo	3,367,626	19,088	133,423	43,999	177,422	3,190,204
Yuba	1,076,566	7,910	54,899	33,175	88,074	988,492
Totals	$752,571,724	4,213,623	$29,421,069	$15,459,804	$44,880,873	$707,690,851

[a] Business inventory exemptions, formerly shown in this table, are no longer available because inventories became totally exempt effective on the 1980–81 property tax rolls and are not enrolled.

TABLE 10—NET [a] STATE- AND COUNTY-ASSESSED VALUE OF PROPERTY SUBJECT TO GENERAL PROPERTY TAXES ON THE SECURED AND UNSECURED ROLLS, BY COUNTY, 1982–83

(In thousands of dollars)

County	Secured valuations			Unsecured valuations (local only) [b]	Total assessed value
	State-assessed	Locally assessed	Total		
1	2	3	4	5	6
Alameda	$1,429,774	$24,908,283	$26,338,057	$2,686,994	$29,025,051
Alpine	10,813	80,849	91,662	19,841	111,503
Amador	134,445	680,395	814,840	34,392	849,232
Butte	355,012	3,467,405	3,822,417	203,534	4,025,951
Calaveras	74,814	902,009	976,823	20,117	996,940
Colusa	59,206	872,260	931,466	61,448	992,914
Contra Costa	1,646,155	21,734,843	23,380,998	1,086,371	24,467,369
Del Norte	18,780	369,523	388,303	28,025	416,328
El Dorado	179,073	3,447,374	3,626,447	107,209	3,733,656
Fresno	1,521,585	13,150,507	14,672,092	984,910	15,657,002
Glenn	70,090	852,989	923,079	41,100	964,179
Humboldt	218,205	2,267,145	2,485,350	156,796	2,642,146
Imperial	113,022	1,829,293	1,942,315	182,979	2,125,294
Inyo	62,073	757,178	819,251	45,995	865,246
Kern	974,501	21,513,771	22,488,272	995,552	23,483,824
Kings	135,287	1,594,705	1,729,992	122,862	1,852,854
Lake	107,883	1,374,843	1,482,726	239,620	1,722,346
Lassen	58,669	489,157	547,826	22,830	570,656
Los Angeles	9,379,603	183,735,590	193,115,193	14,645,388	207,760,581
Madera	247,483	1,978,464	2,225,947	98,823	2,324,770
Marin	305,132	8,177,375	8,482,507	405,407	8,887,914
Mariposa	28,098	339,338	367,436	42,037	409,473
Mendocino	130,287	1,860,794	1,991,081	76,792	2,067,873
Merced	226,106	3,255,210	3,481,316	200,060	3,681,376
Modoc	44,114	356,434	400,548	13,789	414,337
Mono	40,064	886,458	926,522	65,285	991,807
Monterey	817,412	7,556,584	8,373,996	462,742	8,836,738
Napa	121,426	2,838,109	2,959,535	105,563	3,065,098
Nevada	161,090	2,057,179	2,218,269	73,029	2,291,298
Orange	2,354,401	62,146,642	64,501,043	6,035,625	70,536,668
Placer	334,832	4,369,256	4,704,088	193,887	4,897,975
Plumas	320,813	656,050	976,863	34,262	1,011,125
Riverside	1,009,616	20,119,559	21,129,175	779,805	21,908,980
Sacramento	992,597	17,271,054	18,263,651	1,036,029	19,299,680
San Benito	61,776	675,079	736,855	42,705	779,560
San Bernardino	2,141,149	20,409,558	22,550,707	1,184,396	23,735,103
San Diego	4,307,833	48,606,271	52,914,104	2,202,197	55,116,301
San Francisco	1,440,303	19,674,065	21,114,368	2,295,934	23,410,302
San Joaquin	720,496	8,264,870	8,985,366	581,672	9,567,038
San Luis Obispo	1,515,523	4,428,004	5,943,527	164,617	6,108,144
San Mateo	770,117	19,657,356	20,427,473	2,587,745	23,015,218
Santa Barbara	458,592	9,079,816	9,538,408	767,313	10,305,721
Santa Clara	1,440,166	38,201,815	39,641,981	4,628,106	44,270,087
Santa Cruz	202,438	5,371,805	5,574,243	249,881	5,824,124
Shasta	580,710	2,839,182	3,419,892	181,539	3,601,431
Sierra	21,725	128,955	150,680	20,734	171,414
Siskiyou	134,702	1,036,370	1,171,072	88,629	1,259,701
Solano	327,980	5,723,840	6,051,820	294,123	6,345,943
Sonoma	615,199	9,654,031	10,269,230	365,707	10,634,937
Stanislaus	305,319	6,510,573	6,815,892	409,499	7,225,391
Sutter	101,462	1,735,563	1,837,025	132,061	1,969,086
Tehama	125,829	1,014,500	1,140,329	42,681	1,183,010
Trinity	29,396	295,011	324,407	25,669	350,076
Tulare	393,888	4,936,608	5,330,496	337,817	5,668,313
Tuolumne	105,484	1,075,503	1,180,987	48,941	1,229,928
Ventura	1,052,285	15,905,640	16,957,925	1,127,965	18,085,890
Yolo	200,603	2,879,088	3,079,691	243,936	3,323,627
Yuba	97,582	879,954	977,536	65,855	1,043,391
Totals	$40,833,018	$646,880,082	$687,713,100	$49,398,820	$737,111,920

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[a] Includes the value of the homeowners' exemption but excludes "all other" exemptions.

[b] All state-assessed property is on the secured roll.

TABLE 11—ASSESSED VALUE * OF STATE- AND COUNTY-ASSESSED PROPERTY SUBJECT TO GENERAL PROPERTY TAXES INCLUSIVE OF THE HOMEOWNERS' EXEMPTION, BY INCORPORATED CITIES, 1982–83

(In thousands of dollars)

City	Assessed value	
	State	Local
1	2	3
Adelanto	8,179	47,803
Alameda	47,414	1,441,255
Albany	17,468	317,035
Alhambra	130,610	1,371,420
Alturas	5,101	47,975
Amador	268	3,462
Anaheim	310,616	6,965,019
Anderson	8,418	113,849
Angels	5,405	35,059
Antioch	38,295	891,354
Arcadia	34,337	1,554,658
Arcata	13,221	222,526
Arroyo Grande	11,553	270,879
Artesia	36,583	243,477
Arvin	3,405	48,594
Atascadero	16,771	415,443
Atherton	9,783	522,880
Atwater	12,132	210,623
Auburn	24,798	226,673
Avalon	3,601	106,554
Avenal	13,816	37,257
Azusa	19,903	625,558
Bakersfield	165,105	2,879,910
Baldwin Park	38,029	592,494
Banning	14,750	225,832
Barstow	59,874	246,231
Beaumont	11,909	120,926
Bell	25,697	299,943
Bellflower	45,280	838,238
Bell Gardens	24,703	253,237
Belmont	15,472	821,697
Belvedere	2,550	191,263
Benicia	17,134	855,130
Berkeley	80,376	2,209,537
Beverly Hills	81,130	3,443,274
Big Bear	12,753	462,844
Biggs	1,310	17,539
Bishop	11,055	105,100
Blue Lake	1,287	14,231
Blythe	13,887	104,986
Bradbury	490	46,078
Brawley	6,834	179,182
Brea	27,204	1,438,122
Brentwood	6,951	73,346
Brisbane	54,405	113,628
Buena Park	87,438	1,772,694
Burbank	71,199	2,962,396
Burlingame	77,113	1,289,864
Calexico	5,934	160,310
California City	4,452	165,591
Calipatria	1,880	20,552
Calistoga	4,209	83,112
Camarillo	38,489	1,465,225
Campbell	19,305	956,552
Capitola	14,676	271,304
Carlsbad	317,853	1,750,216
Carmel	8,126	330,609
Carpinteria	13,580	298,679
Carson	75,093	3,207,961
Cathedral City	25,466	373,170
Ceres	11,907	278,488
Cerritos	47,603	1,652,107
Chico	57,097	662,292
Chino	42,797	792,345
Chowchilla	5,690	75,432
Chula Vista	265,480	1,783,711
Claremont	35,035	669,607
Clayton	5,576	132,788
Clear Lake	14,077	188,892
Cloverdale	4,242	65,574
Clovis	32,264	747,002
Coachella	9,147	109,993
Coalinga	4,666	90,383
Colfax	3,413	23,599
Coloma	5,245	52,903
Colton	41,524	412,366
Colusa	5,878	69,044
Commerce	187,767	1,221,606
Compton	96,701	959,381
Concord	135,745	2,891,325
Corcoran	4,149	68,703
Corning	5,758	79,135
Corona	56,228	1,030,224
Coronado	19,923	793,479
Corte Madera	6,578	321,821
Costa Mesa	69,257	2,974,471
Cotati	3,570	89,932
Covina	60,425	911,946
Crescent City	6,411	81,792
Cudahy	4,513	133,813
Culver City	74,459	1,754,822
Cupertino	29,328	1,610,848
Cypress	80,138	977,506
Daly City	57,536	1,562,738
Davis	31,714	811,443
Delano	12,096	166,881
Del Mar	5,379	253,928
Del Rey Oaks	1,258	34,924
Desert Hot Springs	11,793	193,779
Dinuba	7,085	125,352
Dixon	7,378	151,351
Dorris	1,803	8,998
Dos Palos	3,298	38,259
Downey	83,437	1,817,375
Duarte	8,692	378,292
Dublin	11,395	493,200
Dunsmuir	3,368	30,365
El Cajon	65,416	1,752,889
El Centro	20,068	373,307
El Cerrito	18,207	523,043
El Monte	62,598	1,228,047
El Segundo	206,014	2,864,681
Emeryville	30,330	407,031
Escalon	3,569	73,576
Escondido	81,469	1,687,454
Etna	782	9,774
Eureka	37,249	498,722
Exeter	6,048	98,526
Fairfax	3,701	205,868
Fairfield	57,687	1,260,103
Farmersville	2,596	44,815
Ferndale	1,732	21,685
Fillmore	6,205	132,338
Firebaugh	3,429	44,249
Folsom	16,297	280,041
Fontana	41,078	752,795
Fort Bragg	7,700	148,150
Fort Jones	2,000	10,853
Fortuna	6,720	142,112
Foster City	11,973	950,925
Fountain Valley	27,536	1,456,645
Fowler	4,210	44,259
Fremont	134,917	3,633,206
Fresno	319,737	5,489,693
Fullerton	96,591	3,252,698
Galt	3,774	74,157
Gardena	27,940	1,052,236
Garden Grove	82,804	2,646,029
Gilroy	20,455	543,785
Glendale	91,998	3,870,927
Glendora	28,488	851,720
Gonzales	2,781	71,009
Grand Terrace	40,655	186,046
Grass Valley	16,719	161,789
Greenfield	2,179	43,962
Gridley	4,161	63,944
Grover City	4,592	162,127
Guadalupe	3,067	30,994
Gustine	2,682	64,085
Half Moon Bay	8,623	238,638
Hanford	23,238	389,313
Hawaiian Gardens	4,770	143,465
Hawthorne	66,471	1,585,009
Hayward	153,618	2,599,390
Healdsburg	11,773	214,533
Hemet	38,219	592,248
Hercules	37,250	261,174
Hermosa Beach	27,331	637,402
Hidden Hills	1,094	125,352
Hillsborough	10,215	931,553
Hollister	11,126	233,115
Holtville	2,382	45,182
Hughson	1,942	37,355
Huntington Beach	330,030	5,557,026
Huntington Park	50,422	488,638
Huron	1,880	20,148
Imperial	2,812	43,275
Imperial Beach	13,391	292,380
Indian Wells	5,448	483,088
Indio	32,615	492,580
Industry	63,746	1,325,111
Inglewood	64,637	1,562,871
Ione	2,534	20,873
Irvine	147,566	5,105,428
Irwindale	20,497	412,915
Isleton	1,805	9,347
Jackson	5,705	56,023
Kerman	3,133	63,933
King City	5,493	107,412
Kingsburg	4,274	99,213
La Canada Flintridge	33,296	731,706
Lafayette	22,048	915,532
Laguna Beach	21,806	1,017,261

TABLE 11—ASSESSED VALUE ° OF STATE- AND COUNTY-ASSESSED PROPERTY SUBJECT TO GENERAL PROPERTY TAXES INCLUSIVE OF THE HOMEOWNERS' EXEMPTION, BY INCORPORATED CITIES, 1982–83—Continued

(In thousands of dollars)

City	Assessed value		City	Assessed value		City	Assessed value	
	State	Local		State	Local		State	Local
1	2	3	1	2	3	1	2	3
La Habra	41,935	1,121,071	Mount Shasta	3,940	68,658	Redwood City	101,755	1,837,502
La Habra Heights	8,744	232,910	Napa	49,975	1,161,829	Reedley	12,374	179,942
Lake Elsinore	12,442	199,215	National City	46,707	688,852	Rialto	59,110	691,210
Lakeport	9,769	103,402	Needles	11,356	60,263	Richmond	114,754	2,706,756
Lakewood	39,026	1,473,961	Nevada City	3,966	60,430	Ridgecrest	19,589	302,214
La Mesa	56,072	1,135,127	Newark	23,217	802,365	Rio Dell	1,796	28,214
La Mirada	21,746	1,039,443	Newman	3,679	48,744	Rio Vista	4,422	85,465
Lancaster	52,051	1,055,610	Newport Beach	58,415	5,244,843	Ripon	3,094	111,754
La Palma	7,737	402,944	Norco	11,676	410,504	Riverbank	4,803	116,229
La Puente	47,476	341,742	Norwalk	76,869	1,147,346	Riverside	124,059	3,681,065
Larkspur	17,380	482,862	Novato	52,916	1,305,055	Rocklin	18,457	256,854
La Verne	21,065	568,003	Oakdale	8,798	227,432	Rohnert Park	19,008	611,819
Lawndale	9,781	377,605	Oakland	579,031	7,431,341	Rolling Hills	2,249	194,844
Lemon Grove	15,722	351,209	Oceanside	88,991	2,027,569	Rolling Hills Estates	4,942	541,231
Lemoore	5,698	165,882	Ojai	8,649	197,978	Rosemead	109,381	577,458
Lincoln	5,669	75,036	Ontario	132,739	2,116,789	Roseville	51,829	704,740
Lindsay	7,410	110,262	Orange	143,535	3,057,904	Ross	2,159	144,842
Live Oak	3,299	32,545	Orange Cove	1,893	31,782	Sacramento	470,221	6,413,855
Livermore	42,590	1,094,629	Orland	5,057	74,440	St. Helena	8,520	199,080
Livingston	4,964	83,844	Oroville	21,544	243,675	Salinas	83,168	1,564,206
Lodi	29,632	885,224	Oxnard	482,324	2,332,200	San Anselmo	6,959	375,778
Loma Linda	13,304	270,527	Pacifica	24,182	758,145	San Bernardino	236,394	2,245,079
Lomita	20,187	384,208	Pacific Grove	8,256	384,161	San Bruno	56,767	970,755
Lompoc	14,773	431,420	Palmdale	28,098	555,868	San Carlos	32,145	1,154,729
Long Beach	858,551	10,038,939	Palm Desert	31,930	1,130,695	San Clemente	31,536	1,205,807
Los Alamitos	9,999	329,771	Palm Springs	76,429	2,384,473	Sand City	558	22,648
Los Altos	20,693	1,051,498	Palo Alto	99,151	3,073,018	San Diego	1,151,362	23,909,419
Los Altos Hills	7,069	441,618	Palos Verdes Estates	11,013	894,495	San Dimas	31,105	671,779
Los Angeles	3,042,334	78,404,367	Paradise	20,117	458,142	San Fernando	28,520	299,436
Los Banos	10,311	203,302	Paramount	38,132	697,887	San Francisco	1,440,303	21,969,999
Los Gatos	34,979	1,076,337	Parlier	2,308	19,482	San Gabriel	25,082	588,473
Loyalton	1,198	11,222	Pasadena	131,006	3,366,136	Sanger	9,023	174,472
Lynwood	15,509	525,906	Paso Robles	14,879	281,876	San Jacinto	7,057	118,380
Madera	23,281	346,312	Patterson	3,602	67,218	San Joaquin	1,285	13,106
Manhattan Beach	21,551	1,428,574	Perris	27,389	129,205	San Jose	643,120	17,167,876
Manteca	20,632	465,197	Petaluma	31,333	807,993	San Juan Bautista	1,944	21,456
Maricopa	917	18,395	Pico Rivera	45,661	801,668	San Juan Capistrano	27,894	841,860
Marina	9,358	229,334	Piedmont	4,740	426,484	San Leandro	115,721	2,165,056
Martinez	29,120	741,496	Pinole	10,930	332,840	San Luis Obispo	46,280	816,648
Marysville	25,769	220,898	Pismo Beach	5,408	196,987	San Marcos	25,961	657,611
Maywood	3,751	168,575	Pittsburg	27,259	671,220	San Marino	6,933	650,832
McFarland	3,083	36,791	Placentia	33,435	941,556	San Mateo	90,752	2,975,828
Mendota	2,875	43,402	Placerville	15,555	175,558	San Pablo	11,452	314,948
Menlo Park	35,674	1,381,093	Pleasant Hill	23,645	817,397	San Rafael	90,745	1,795,248
Merced	45,502	766,754	Pleasanton	32,118	1,129,047	Santa Ana	235,267	5,094,556
Millbrae	24,862	669,055	Plymouth	1,327	6,957	Santa Barbara	95,428	2,569,823
Mill Valley	18,667	535,387	Point Arena	1,275	7,065	Santa Clara	125,167	3,964,418
Milpitas	38,981	1,338,777	Pomona	203,805	1,748,062	Santa Cruz	43,505	1,229,357
Modesto	104,716	2,677,595	Porterville	21,023	385,304	Santa Fe Springs	55,698	1,565,158
Monrovia	38,082	667,175	Port Hueneme	14,206	397,238	Santa Maria	39,739	1,023,637
Montague	1,936	16,729	Portola	4,076	32,412	Santa Monica	183,314	3,829,417
Montclair	15,228	490,565	Portola Valley	4,221	255,485	Santa Paula	14,587	326,609
Monte Sereno	1,901	154,517	Poway	29,051	952,372	Santa Rosa	147,562	2,497,684
Montebello	130,623	1,067,448	Rancho Cucamonga	206,038	1,707,908	Santee	30,296	781,581
Monterey	46,994	911,298	Rancho Mirage	17,612	1,122,382	Saratoga	22,467	1,176,487
Monterey Park	49,150	1,260,145	Rancho Palos Verdes	37,147	1,566,757	Sausalito	9,804	494,039
Moraga	11,983	537,536	Red Bluff	15,838	191,018	Scotts Valley	9,580	245,531
Morgan Hill	20,206	527,835	Redding	72,580	1,153,106	Seal Beach	40,729	947,410
Morro Bay	187,005	273,610	Redlands	61,222	1,006,054	Seaside	14,834	305,534
Mountain View	66,722	2,253,194	Redondo Beach	263,487	2,100,118	Sebastopol	7,291	157,574

TABLE 11—ASSESSED VALUE [a] OF STATE- AND COUNTY-ASSESSED PROPERTY SUBJECT TO GENERAL PROPERTY TAXES INCLUSIVE OF THE HOMEOWNERS' EXEMPTION, BY INCORPORATED CITIES, 1982–83—Concluded

(In thousands of dollars)

City	Assessed value	
	State	Local
1	2	3
Selma	10,610	155,865
Shafter	4,617	70,011
Sierra Madre	8,467	250,963
Signal Hill	11,861	541,909
Simi Valley	59,498	1,992,765
Soledad	4,388	36,423
Sonoma	5,436	199,522
Sonora	11,090	89,040
South El Monte	8,154	373,545
South Gate	40,734	1,121,076
South Lake Tahoe	22,238	977,582
South Pasadena	18,079	593,913
South San Francisco	50,966	1,982,456
Stanton	28,593	460,787
Stockton	193,799	3,348,998
Suisun	5,968	224,080
Sunnyvale	131,177	4,685,686
Susanville	10,735	114,701
Sutter Creek	2,676	36,564
Taft	11,212	90,826
Tehachapi	5,152	58,139
Tehama	377	5,682
Temple City	14,110	557,449
Thousand Oaks	104,483	3,400,931
Tiburon	7,628	391,946
Torrance	157,660	4,841,728
Tracy	24,568	450,842
Trinidad	909	12,572
Tulare	28,713	406,628
Tulelake	897	9,844
Turlock	24,151	600,814
Tustin	23,149	1,348,224
Ukiah	17,769	272,701
Union City	38,057	1,013,997
Upland	52,893	1,206,782
Vacaville	31,206	927,491
Vallejo	59,977	1,341,050
San Buenaventura	89,537	2,272,350
Vernon	66,376	1,245,497
Victorville	44,051	394,589
Villa Park	3,890	272,290
Visalia	65,459	1,238,472
Vista	40,464	918,174
Walnut	25,575	352,169
Walnut Creek	77,458	2,447,515
Wasco	5,979	84,146
Waterford	2,435	42,119
Watsonville	24,382	473,433
Weed	3,239	37,465
West Covina	34,937	1,861,424
Westlake Village	7,203	425,786
Westminster	79,699	1,484,591
Westmorland	289	8,447
Wheatland	1,835	18,049
Whittier	78,861	1,623,018
Williams	1,469	26,787
Willits	6,150	97,393
Willows	6,444	72,446
Winters	2,701	41,283
Woodlake	2,735	36,791
Woodland	24,983	631,844
Woodside	8,433	390,919
Yorba Linda	28,671	1,077,606
Yountville	2,231	36,474
Yreka	11,194	168,250
Yuba City	25,339	479,889
Grand totals	$24,189,238	$506,526,539

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[a] These values are net of "all other exemptions" (see Table 8) but include the values of the homeowners' exemption because tax rates for the support of city governments are set on assessed valuations which include them and local governments are reimbursed by the State for them.

Note: Detail may not add to total due to rounding.

TABLE 12A—ASSESSED VALUE OF PROPERTY ASSESSED BY THE STATE BOARD OF EQUALIZATION, BY TYPE OF COMPANY, 1982–83

(In thousands of dollars)

Type of company 1	Assessed value 2
UNDER PROVISIONS OF SECTION 751 OF THE REVENUE AND TAXATION CODE	
Telephone and telegraph	$18,518,929
Gas and electric	19,812,659
Intercounty pipelines, flumes, canals, ditches, and aqueducts	572,648
Car	16,629
Railroad	1,912,153
Total	$40,833,018
UNDER PRIVATE CAR TAX LAW	
Private cars	581,697
Grand total	$41,414,715

TABLE 12B—ASSESSED VALUE OF PROPERTY ASSESSED BY THE STATE BOARD OF EQUALIZATION AND SUBJECT TO LOCAL TAXATION, BY COMPANY, 1982–83

(In thousands of dollars)

Name of company 1	Assessed value 2
TELEPHONE AND TELEGRAPH COMPANIES	
American Satellite Company	$17,365
American Telephone & Telegraph Long Lines	451,367
Calaveras Telephone Company	2,502
California-Oregon Telephone Company	1,205
Capay Valley Telephone System, Inc.	839
Citizens Utilities Company of California (Water)	24,175
Citizens Utilities Company of California (Tel.)	96,088
Communications Satellite Corporation	7,853
Comsat General Corporation	5,000
Continental Telephone Company of California	320,017
Dorris Telephone Company	2,800
Ducor Telephone Company	1,669
Evans Telephone Company	2,691
Foresthill Telephone Company	1,960
General Telephone Company of California	3,520,581
G.T.E. Satellite Corporation	13,000
Happy Valley Telephone Company	5,529
Hornitos Telephone Company	650
I.T.T. World Communications, Inc.	16,332
Kerman Telephone Company	3,010
Livingston Telephone Company	4,650
Mariposa County Telephone Company, Inc.	6,636
M.C.I. Telecommunications Corporation	38,584
Pacific Telephone & Telegraph Company	13,522,570
Pinnacles Telephone Company	185
Ponderosa Telephone Company (The)	11,001
R.C.A. American Communications Inc.	30,020
R.C.A. Global Communications, Inc.	16,305
RCA Globcom Systems Inc.	1,507
Roseville Telephone Company	65,015
Sierra Telephone Company, Inc.	11,595
Siskiyou Telephone Company	6,482
Southern Pacific Communications Company	64,724
Tel. Utilities of Eastern Oregon, Inc.	160
Tuolumne Telephone Company	12,012
United States Transm. Systems, Inc.	2,700
Volcano Telephone Company	7,719
West Coast Telephone Company of California	12,507
Western Union International Inc.	7,150
Western Union Telegraph Company (The)	167,121
49 Radio-telephone companies	35,653
Total for telephone and telegraph companies	$18,518,929

TABLE 12B—ASSESSED VALUE OF PROPERTY ASSESSED BY THE STATE BOARD OF EQUALIZATION AND SUBJECT TO LOCAL TAXATION, BY COMPANY, 1982–83—Continued

(In thousands of dollars)

Name of company 1	Assessed value 2
GAS AND ELECTRIC COMPANIES	
Anza Electric Cooperative, Inc.	$4,101
Bay Point Light & Power Inc.	737
C.P. National Corporation	33,180
Pacific Gas and Electric Company	9,405,883
Pacific Lighting Gas Supply Company	513,064
Pacific Power and Light Company	77,918
Plumas-Sierra Rural Electric Co-op	6,030
San Diego Gas and Electric Company	1,956,360
Sierra Pacific Power Company	67,274
Southern California Edison Company	6,666,079
Southern California Gas Company	934,639
Southern California Water Company	105,404
Southwest Gas Corp.	35,501
Surprise Valley Electrification Corp.	6,440
Valley Electric Association, Inc.	49
Total for gas and electric companies	$19,812,659
INTERCOUNTY PIPE LINES, FLUMES, CANALS, DITCHES, AND AQUEDUCTS [a]	
Beacon Oil Company	$1,250
Calnev Pipe Line Company	39,500
Casitas Pipeline Company	2,800
Chevron U.S.A., Inc.	51,500
City of Riverside	5,769
Cuyama Pipeline Company	1,050
Dow Chemical Company, The	7,592
Exxon Company, U.S.A.	920
Four Corners Pipe Line Company	90,000
Getty Oil Company	50,500
Gulf Oil Corporation	2,750
Kerr-McGee Chemical Corp.	1,800
Kings County Canal Company	458
Mobil Oil Corporation	48,485
Powerine Oil Company	1,150
Riverside Highland Water Company	250
San Diego Pipeline Company	13,500
San Luis Canal Company	2,150
Santa Clara Pipe Line Company	24,000
Shell Oil Company	41,000
Southern Pacific Pipe Lines, Inc.	135,000
Standard Pacific Gas Line, Inc.	24,500
Standard Pipe Line Company	2,450
Texaco, Inc.	1,450
Union Oil Company of California	22,000
Vallecitos Pipeline Company	175
West Riverside Canal	635
2 companies with an assessed value of less than $100,000 each	14
Total for intercounty pipe lines, etc.	$572,648

[a] All other taxable property owned by these companies is locally assessed.

TABLE 12B—ASSESSED VALUE OF PROPERTY ASSESSED BY THE STATE BOARD OF EQUALIZATION AND SUBJECT TO LOCAL TAXATION, BY COMPANY, 1982–83—Concluded

(In thousands of dollars)

Name of company 1	Assessed value 2
CAR COMPANIES [b]	
ACF Industries, Inc., Shippers Car Line Division	$1
General American Transportation Corp.	2,328
National Railroad Passenger Corp. (AMTRAK)	7,987
North American Car Corporation	2,160
Pacific Fruit Express Co.	4,097
Union Tank Car Co.	56
Total for car companies	$16,629
RAILROAD COMPANIES	
Alameda Belt Line	$1,735
Almanor Railroad Co.	480
Amador Central Railroad Co.	8,979
Arcata and Mad River Rail Road Co.	3,645
Atchison, Topeka, & Santa Fe Railway Co.	394,185
Burlington Northern, Inc.	3,972
California Western Railroad	1,228
Camino, Placerville & Lake Tahoe Railroad Co.	5,105
Central California Traction Company	3,329
Holton Inter-Urban Railway Co.	539
Los Angeles Junction Railway Company	12,630
McCloud River Railroad Company	9,099
Modesto and Empire Traction Company	16,433
Northwestern Pacific Railroad Company	24,525
Oakland Terminal Railway, The	688
Parr Terminal Railroad	83
Petaluma and Santa Rosa Railroad Company	2,216
Port Railroads Inc.	370
Quincy Railroad Co.	735
Sacramento Northern Railway	13,337
San Diego and Arizona Eastern Railroad Company	1,205
San Diego and Arizona Eastern Transportation Company	3,250
Santa Maria Valley Railroad Company	3,563
Sierra Railroad Company	7,495
Southern Pacific Transportation Company	1,100,418
Stockton Terminal and Eastern Railroad	14,506
Sunset Railway Company	992
Tidewater Southern Railway Company	2,334
Trona Railway Company	21,121
Union Pacific Corporation	166,010
Ventura County Railway Company	1,803
Visalia Electric Railroad Company	1,085
Western Pacific Railroad Company	81,671
Yreka Western Railroad Company	3,387
Total for railroad companies	$1,912,153

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[b] Property at fixed locations which is not subject to the private car tax. Excludes the value of private cars operated on the railroads, for which see Table 17A.

TABLE 13—ASSESSMENT RATIOS, "COLLIER FACTORS", AND COEFFICIENTS OF DISPERSION

Determination of ratios was suspended by the Board in 1978–79 due to lack of data needed to ascertain the proper assessed values under Proposition 13 passed at the June 6, 1978 general election. Since the coefficients of dispersion currently available to the Board are based upon pre-Proposition 13 assessment criteria, their publication has also been suspended until completion of new surveys.

TABLE 14—1981–82 GENERAL PROPERTY TAX LEVIES AS COMPILED FOR COMPUTATION OF THE AVERAGE TAX RATE

(Levies and assessed values in thousands of dollars)

County	Net Taxable[a] Assessed Value	Property Tax Allocations and Levies[b]					Average Tax Rate	
		City	County[c]	School[c]	Other[d] District	Total[d]	1981–82	1980–81
1	2	3	4	5	6	7	8	9
Alameda	$24,838,986	$65,589	$81,520	$99,726	$68,538	$315,373	1.270%	1.272%
Alpine	95,362	–	725	234	81	1,040	1.091	1.140
Amador	747,695	343	3,123	4,353	184	8,003	1.070	1.062
Butte	3,401,430	3,004	7,078	22,014	4,152	36,248	1.066	1.072
Calaveras	846,008	83	2,625	5,440	1,358	9,506	1.124	1.122
Colusa	799,867	380	2,980	4,279	757	8,396	1.050	1.062
Contra Costa	20,588,424	26,034	56,672	82,725	76,319	241,750	1.174	1.228
Del Norte	355,227	83	1,112	1,984	306	3,485	.981	1.025
El Dorado	3,218,883	2,484	10,803	15,123	7,971	36,381	1.130	1.145
Fresno	14,249,517	19,127	48,097	69,248	21,141	157,613	1.106	1.102
Glenn	843,887	578	2,893	4,999	629	9,099	1.078	1.072
Humboldt	2,291,065	2,619	8,539	11,887	2,785	25,830	1.127	1.125
Imperial	1,837,124	2,834	6,320	9,807	1,103	20,064	1.092	1.112
Inyo	756,843	167	2,862	4,195	777	8,001	1.057	1.065
Kern	20,953,827	9,693	94,214	93,881	25,916	223,704	1.068	1.000
Kings	1,615,910	1,244	7,767	7,303	1,746	18,060	1.118	1.102
Lake	1,324,660	479	4,706	6,372	2,469	14,026	1.059	1.085
Lassen	490,767	263	1,470	3,333	377	5,443	1.109	1.145
Los Angeles	178,263,728	381,128	857,449	462,914	324,552	2,026,043	1.137	1.150
Madera	2,056,459	1,059	5,740	13,589	2,175	22,563	1.097	1.098
Marin	7,789,314	10,320	23,088	35,586	14,594	83,588	1.073	1.090
Mariposa	354,997	–	1,178	2,157	242	3,577	1.008	1.008
Mendocino	1,801,810	743	7,746	9,964	1,525	19,978	1.109	1.130
Merced	3,142,329	2,961	12,147	15,280	3,309	33,697	1.072	1.088
Modoc	359,481	137	1,391	2,000	227	3,755	1.045	1.040
Mono	763,907	–	3,124	2,880	2,349	8,353	1.093	1.118
Monterey	7,684,928	8,385	21,696	41,612	9,663	81,356	1.059	1.072
Napa	2,641,437	3,271	7,929	16,259	2,381	29,840	1.130	1.140
Nevada	1,890,350	620	5,614	10,793	4,260	21,287	1.126	1.120
Orange	58,957,772	83,517	119,613	377,038	124,340	704,508	1.195	1.208
Placer	4,145,543	2,197	12,986	22,537	8,687	46,407	1.119	1.132
Plumas	884,987	83	2,460	5,154	1,254	8,951	1.011	.990
Riverside	18,567,137	18,881	59,179	94,202	45,203	217,465	1.171	1.185
Sacramento	16,200,259	20,837	65,012	68,588	39,404	193,841	1.197	1.205
San Benito	674,959	460	1,557	4,814	1,079	7,910	1.172	1.192
San Bernardino	19,950,620	23,173	64,851	87,078	67,210	242,312	1.215	1.235
San Diego	46,660,069	73,315	124,239	280,527	50,681	528,762	1.133	1.150
San Francisco	19,642,027	–	199,405	19,822	15,546	234,773	1.195	1.235
San Joaquin	8,305,522	11,441	34,128	33,079	12,740	91,388	1.100	1.122
San Luis Obispo	5,029,639	4,546	17,993	32,175	3,270	57,984	1.153	1.162
San Mateo	20,243,783	28,424	52,317	114,193	20,840	215,774	1.066	1.065
Santa Barbara	8,958,231	5,398	27,389	47,917	17,149	97,853	1.092	1.102
Santa Clara	36,100,882	50,304	99,877	222,321	48,861	421,363	1.167	1.190
Santa Cruz	4,968,862	4,025	14,424	28,717	6,397	53,563	1.078	1.082
Shasta	3,094,473	2,587	8,581	20,070	2,586	33,824	1.093	1.130
Sierra	138,350	28	838	385	160	1,411	1.020	1.045
Siskiyou	1,088,761	913	3,852	5,811	579	11,155	1.025	1.028
Solano	5,428,991	12,005	21,988	22,025	7,234	63,252	1.165	1.185
Sonoma	8,756,528	9,247	33,055	47,375	6,205	95,882	1.095	1.098
Stanislaus	6,252,493	6,083	17,650	39,831	3,250	66,814	1.069	1.102
Sutter	1,640,458	1,359	5,774	8,550	1,641	17,324	1.056	1.058
Tehama	999,935	729	3,817	5,884	479	10,909	1.091	1.080
Trinity	310,979	–	1,196	2,113	192	3,501	1.126	1.135
Tulare	4,895,891	3,656	20,957	22,877	4,251	51,741	1.057	1.058
Tuolumne	1,047,347	164	4,102	6,031	1,017	11,314	1.080	1.102
Ventura	15,245,794	11,353	48,365	70,215	44,823	174,756	1.146	1.168
Yolo	2,928,306	5,126	10,072	15,586	3,536	34,320	1.172	1.200
Yuba	871,746	592	3,765	4,370	1,162	9,889	1.134	1.170
Totals	$627,994,566	$924,071	$2,370,050	$2,769,222	$1,121,662	$7,185,005	1.144%	1.158%

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[a] These are the assessed values on which general property taxes were actually levied in 1981–82. Excluded are exemptions totaling $43,691,373,000 as follows: homeowners', $29,138,313,000; and all other, $14,553,060,000.

[b] The county levies at a rate of 1 percent of assessed value have been allocated among the jurisdictions receiving a portion of those levies. Excluded are the State reimbursements to local governments of $333,274,000 for the homeowners' exemption described in footnote a and $457,656,000 for business inventories which beginning with the 1980–81 year are no longer assessed.

[c] County levies for school purposes such as junior college tuition and countywide school levies are included with school levies.

[d] Includes debt levies on land and/or improvements only. Also includes the portion of the 1 percent levy allocated to jurisdictions previously taxing less than total property.

TABLE 15—1981–82 GENERAL PROPERTY TAX DOLLAR[a], BY COUNTY

County	Property tax dollars				
	City	County[b]	School purpose[b]	Other districts	Total
1	2	3	4	5	6
Alameda	$.21	$.26	$.31	$.22	$1.00
Alpine	–	.70	.22	.08	1.00
Amador	.04	.39	.55	.02	1.00
Butte	.08	.20	.61	.11	1.00
Calaveras	.01	.28	.57	.14	1.00
Colusa	.05	.35	.51	.09	1.00
Contra Costa	.11	.23	.34	.32	1.00
Del Norte	.02	.32	.57	.09	1.00
El Dorado	.07	.30	.41	.22	1.00
Fresno	.12	.31	.44	.13	1.00
Glenn	.06	.32	.55	.07	1.00
Humboldt	.10	.33	.46	.11	1.00
Imperial	.14	.31	.49	.06	1.00
Inyo	.02	.36	.52	.10	1.00
Kern	.04	.42	.42	.12	1.00
Kings	.07	.43	.40	.10	1.00
Lake	.03	.34	.45	.18	1.00
Lassen	.05	.27	.61	.07	1.00
Los Angeles	.19	.42	.23	.16	1.00
Madera	.05	.25	.60	.10	1.00
Marin	.12	.28	.43	.17	1.00
Mariposa	–	.33	.60	.07	1.00
Mendocino	.04	.39	.50	.07	1.00
Merced	.09	.36	.45	.10	1.00
Modoc	.04	.37	.53	.06	1.00
Mono	–	.37	.35	.28	1.00
Monterey	.10	.27	.51	.12	1.00
Napa	.11	.27	.54	.08	1.00
Nevada	.03	.26	.51	.20	1.00
Orange	.12	.17	.53	.18	1.00
Placer	.05	.28	.48	.19	1.00
Plumas	.01	.27	.58	.14	1.00
Riverside	.09	.27	.43	.21	1.00
Sacramento	.11	.34	.35	.20	1.00
San Benito	.06	.20	.61	.13	1.00
San Bernardino	.09	.27	.36	.28	1.00
San Diego	.14	.23	.53	.10	1.00
San Francisco	–	.85	.08	.07	1.00
San Joaquin	.13	.37	.36	.14	1.00
San Luis Obispo	.08	.31	.55	.06	1.00
San Mateo	.13	.24	.53	.10	1.00
Santa Barbara	.05	.28	.49	.18	1.00
Santa Clara	.12	.24	.53	.11	1.00
Santa Cruz	.07	.27	.54	.12	1.00
Shasta	.08	.25	.59	.08	1.00
Sierra	.02	.60	.27	.11	1.00
Siskiyou	.08	.35	.52	.05	1.00
Solano	.19	.35	.35	.11	1.00
Sonoma	.10	.35	.49	.06	1.00
Stanislaus	.09	.26	.60	.05	1.00
Sutter	.08	.33	.49	.10	1.00
Tehama	.07	.35	.54	.04	1.00
Trinity	–	.34	.60	.06	1.00
Tulare	.07	.41	.44	.08	1.00
Tuolumne	.02	.36	.53	.09	1.00
Ventura	.06	.28	.40	.26	1.00
Yolo	.15	.29	.46	.10	1.00
Yuba	.06	.38	.44	.12	1.00
Average	$.13	$.33	$.38	$.16	$1.00

[a] Includes special assessments levied on limited categories of property to finance activities from which such properties derived special benefits.

[b] County levies for school purposes such as junior college tuition and countywide school levies are included with school levies.

TABLE 16—Discontinued.

In previous reports this table presented data on several types of property which received special tax treatment, such as private aircraft, documented vessels, and baled cotton.

TABLE 17A—ASSESSED VALUE OF PRIVATE CARS ASSESSED BY THE STATE BOARD OF EQUALIZATION AND SUBJECT TO EXCLUSIVE STATE TAXATION, BY COMPANY, 1982–83

Name of company	Assessed value (in thousands)	Amount of tax
1	2	3
PRIVATE CARS		
ACF Industries, Incorporated	$34,161	$386,014
ADM Transportation Company	1,620	18,308
Allied Chemical Corporation	2,471	27,922
American President Lines, Ltd.	1,170	13,224
Amoco Chemicals Corporation	2,971	33,571
Andrews Gas Liquids	891	10,070
ARCO Petroleum Products Company	1,361	15,379
ARCO Chemical Company	1,958	22,124
California Railcar Corporation	1,403	15,857
Celtran, Inc.	1,532	17,307
Chemplex Company	924	10,445
Chevron USA, Inc.	6,946	78,487
Chicago Freight Car Leasing Company	2,245	25,364
Cities Service Company	1,205	13,611
Columbian Chemicals Company	1,163	13,143
Conoco Inc.	3,430	38,755
Crystal Car Line	2,203	24,899
Dow Chemical Company, The	7,122	80,481
du Pont de Nemours, E. I. & Company	3,787	42,795
Ethyl Corporation	1,138	12,857
Evans Railcar Leasing Company	13,070	147,696
Exxon Chemicals Americas	1,701	19,226
Exxon Company, USA	2,937	33,185
Farmland Industries, The	2,283	25,800
FMC Corp., Industrial Chemical Div.	1,053	11,897
Foster Poultry Farms, Inc	882	9,970
Fruit Growers Express Company	6,264	70,783
General American Transportation Corp.	54,391	614,617
Georgia-Pacific Corp. (Bellingham Div.)	785	8,872
Georgia-Pacific Corporation (Plaquemine/Rebecca Div.)	923	10,429
GLNX Corporation	1,914	21,631
Granite Rock Company	2,883	32,578
Gulf Oil Corporation	1,406	15,891
Hercules Incorporated	840	9,490
Hooker Chemicals & Plastics Corp.	773	8,734
Itel Corporation, Rail Division	2,094	23,661
Kerr-McGee Chemical Corporation	6,289	71,065
Koppers Company, Inc.	2,846	32,162
Mobil Oil Corporation	2,224	25,133
Monsanto Company	3,380	38,194
North American Car Corporation	49,383	558,025
Pacific Fruit Express Company	3,203	36,193
Pargas, Inc.	1,586	17,924
Petrolane, Inc	1,117	12,626
Phillips Petroleum Company	2,575	29,093
PLM, Investment Management, Inc.	921	10,404
PPG Industries, Inc.	1,123	12,685
Pullman Leasing Company	14,404	162,768
Rail Box Company	29,148	329,375
RAILGON Company	5,227	59,063
REMX Corporation	2,428	27,433
Richmond Leasing Company	5,723	64,670
Scoular Bishop Grain Company	757	8,559
Shell Oil Company	7,787	87,995
Soltex Polymer Corporation	1,260	14,234
Stauffer Chemical Company	1,394	15,758
Tennessee Eastman Co., Div. of Eastman Kodak Co.	1,063	12,008
Trailer Train Company	183,932	2,078,437
Transportation Corp. of America	1,252	14,143
Trinity Industries Leasing Company	3,058	34,558
Trinity Railcar Leasing Corp.	1,097	12,400
Union Carbide Corporation	2,948	33,316
Union Tank Car Company	31,150	351,990
United Equipment Leasing Associates	4,704	53,156
United States Leasing International, Inc.	6,778	76,594
United States Rail Services, Inc.	2,334	26,375
Xtra, Inc	1,093	12,352
170 other companies with an assessed value under $750,000 each	25,613	289,419
Totals for private cars	$581,697	$6,573,180

TABLE 17B—PRIVATE CAR TAX ASSESSMENTS, TAX RATES, AND TAX LEVIES, 1938–40 TO 1982–83

Fiscal year 1	Average number of cars 2	Assessed value[a] (000 omitted) 3	Average assessed value per car[a] 4	Tax rate per $100 assessed value[b] 5	Amount of tax[c] (000 omitted) 6
1982–83	18,688	$581,697	$31,127	$1.13	$6,573
1981–82	16,142	528,235	32,724	1.14	6,022
1980–81	16,143	109,696	6,795	4.62	5,068
1979–80	14,514	90,701	6,249	4.70	4,263
1978–79	17,483	87,393	4,999	4.85	4,239
1977–78	18,388	78,154	4,213	11.19	8,754
1976–77	18,962	78,660	4,148	11.33	8,915
1975–76	18,003	75,652	4,202	11.24	8,505
1974–75	18,648	71,251	3,801	11.15	7,946
1973–74	17,111	64,101	3,681	11.44	7,334
1972–73	15,157	50,255	3,316	11.43	5,701
1971–72	14,977	44,196	2,951	10.85	4,552
1970–71	15,091	41,766	2,768	9.93	4,148
1969–70	15,088	39,809	2,638	9.39	3,739
1968–69	14,756	43,421	2,943	8.90	3,865
1967–68	14,559	37,627	2,584	7.79	2,931
1966–67	13,872	32,986	2,378	7.51	2,477
1965–66	14,436	30,243	2,095	7.29	2,205
1964–65	14,534	28,855	1,985	6.99	2,017
1963–64	14,562	26,679	1,832	6.92	1,846
1962–63	15,639	26,506	1,695	6.82	1,808
1961–62	16,182	26,807	1,657	6.54	1,753
1960–61	16,055	25,894	1,613	6.44	1,668
1959–60	15,953	25,848	1,620	6.24	1,613
1958–59	16,867	30,573	1,813	5.60	1,712
1957–58	17,108	29,826	1,743	5.33	1,590
1956–57	17,168	27,435	1,598	5.19	1,424
1955–56	17,644	26,136	1,481	5.09	1,330
1954–55	17,993	26,534	1,475	4.90	1,301
1953–54	17,092	25,378	1,485	4.81	1,222
1952–53	16,051	23,524	1,466	4.79	1,127
1951–52	16,511	21,974	1,331	4.95	1,089
1950–51	17,068	19,186	1,124	4.64	891
1945–50	16,382	17,426[d]	1,064	3.99	3,510
1940–45	13,259	12,630[d]	953	3.63	2,286
1938–40	13,734	11,579[d]	843	3.66	848

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[a] Includes materials and supplies held, stored, or used in the State for the purpose of repairing, improving, servicing, or operating the cars. Escape assessments for prior years are not included in the computation of the average assessed value per car.

[b] Based on the statewide average tax rate for the preceding year.
The ratio of assessed value to taxable value was changed to 100 percent (from 25 percent) beginning with the lien date for 1981–82 and the tax rate was adjusted downward proportionately.

[c] Includes interest, penalties and escape assessments from prior years.

[d] Average total assessed value for the period.

TABLE 18—STATE SALES AND USE TAX COLLECTIONS AND NUMBER OF PERMITS, 1933–35 TO 1981–82
(Collections in thousands of dollars)

Fiscal year	Collections [a]			Number of outstanding permits [c]
	Taxes	Fees [b]	Total	
1	2	3	4	5
1981–82	$7,689,139	$448	$7,689,587	724,352
1980–81	7,131,482 [r]	409	7,131,891 [r]	673,876
1979–80	6,658,425	365	6,658,790	658,822
1978–79	5,810,484	310	5,810,794	634,758
1977–78	5,028,658	308	5,028,966	598,477
1976–77	4,311,426	272	4,311,698	571,659
1975–76	3,737,838	252	3,738,090	536,545
1974–75	3,372,966	231	3,373,197	510,232
1973–74	2,673,570 [d]	205	2,673,775 [d]	484,655
1972–73	2,197,083 [e]	193	2,197,276 [e]	472,457
1971–72	1,991,992	193	1,992,185	452,033
1970–71	1,796,956	186	1,797,142	437,731
1969–70	1,751,658	171	1,751,829	420,766
1968–69	1,634,612	156	1,634,768	412,563
1967–68	1,389,943 [f]	145	1,390,088 [f]	399,100
1966–67	1,053,251	138	1,053,389	395,321
1965–66	1,096,165 [g]	145	1,096,310 [g]	389,115
1964–65	939,651	146	939,797	377,746
1963–64	876,946	128	877,074	369,261
1962–63	813,313	120	813,433	360,976
1961–62	749,375	117	749,492	353,520
1960–61	710,931	119	711,050	351,727
1959–60	709,749	118	709,867	342,322
1958–59	631,409	115	631,524	333,998
1957–58	605,208	102	605,310	326,124
1956–57 [h]	599,789	102	599,891	320,486
1955–56	564,348	103	564,451	310,780
1954–55	492,879	108	492,987	305,537
1953–54	464,969	107	465,076	298,108
1952–53	460,196	98	460,294	289,620
1951–52	417,326	95	417,421	285,659
1950–51	398,261	101	398,362	285,598
1945–50	1,316,653 [i]	615	1,317,268 [i]	270,231
1940–45	665,100 [j]	303	665,403 [j]	179,067
1935–40	426,422 [k]	518 [l]	426,940 [k]	186,473 [m]
1933–35	89,661 [n]	282	89,943 [n]	185,748

[a] Collections include taxes, fees, interest, and penalties less refunds. Tax collections in one quarter are based mainly on taxable transactions during the preceding quarter. Transfers from the Motor Vehicle Fuel Fund of sales taxes on gasoline subject to refund of fuel tax are included.

[b] The $1 fee for issuance of a seller's permit was eliminated effective July 1, 1966, and the reinstatement fee for a revoked permit was set at $15. Prior to that date, a $25 fee was required for reinstatement of a permit revoked for the third time within any two-year period.

[c] As of December 31 for each fiscal year.

[d] Effective July 1, 1973 the state tax rate was increased from 3¾ percent to 4¾ percent. On October 1, 1973 the tax rate was reduced to 3¾ percent for six months. Effective April 1, 1974 the tax rate was again increased to 4¾ percent.

[e] Effective July 1, 1972, the state tax rate was decreased from 4 percent to 3¾ percent.

[f] Effective August 1, 1967, the state tax rate was increased from 3 percent to 4 percent.

[g] Includes almost $100 million resulting from legislation effective August 1, 1965, requiring some 24,000 taxpayers with monthly taxable sales of $17,000 or more to prepay their quarterly sales and use tax.

[h] The Board began to administer the Bradley-Burns Local Sales and Use Tax Law effective April 1, 1957, at a rate of 1 percent. The law provided for local option and thus it was not adopted by all cities and counties until January 1, 1962. See Table 21C for details.

[i] Effective July 1, 1949, the tax rate was increased from 2½ percent to 3 percent.

[j] Effective July 1, 1943, the tax rate was reduced from 3 percent to 2½ percent and substantial additions were made to the list of exempt transactions.

[k] Effective July 1, 1935, the tax rate was increased from 2½ percent to 3 percent; sales of food for human consumption, except when served as meals, were exempted; and a 3 percent use tax was imposed.

[l] All outstanding licenses expired on July 31, 1935, and were reissued only after payment of a fee of $1 if renewed on or before July 31st and $1.50 if renewed thereafter.

[m] Effective July 1, 1939, all persons selling tangible personal property of a kind whose retail sale is subject to tax were required to secure a permit for each of their outlets, whether or not they engaged in the business of making retail sales. Prior to this time, only retailers were required to secure permits.

[n] The state sales tax was first imposed August 1, 1933 at a rate of 2½ percent.

[r] Revised.

TABLE 19—STATE SALES AND USE TAX STATISTICS, BY TYPE OF BUSINESS, 1981–82

Type of business	Taxable transactions [a]			State sales tax (in thousands)	Number of permits on June 30, 1982 [b]
	Amount (in thousands)	Percent of total	Percent change from 1980–81		
1	2	3	4	5	6
Retail Stores					
Women's apparel	$2,050,192	1.32	2.7	$97,384	8,363
Men's apparel	899,067	.58	3.4	42,706	2,796
Family apparel	1,249,579	.81	18.2	59,355	4,416
Shoes	1,167,411	.75	8.8	55,452	3,989
Apparel stores group	5,366,249	3.46	7.4	254,897	19,564
Limited-price variety	500,369	.32	−4.6	23,768	988
Department and dry goods	12,434,355	8.02	6.3	590,632	3,810
Drug stores [c]	3,009,494	1.94	15.3	142,951	4,318
Other general merchandise	488,618	.31	−7.4	23,209	1,448
General merchandise stores	16,432,836	10.59	7.0	780,560	10,564
Gifts, art goods, and novelties	597,180	.38	8.4	28,366	7,175
Sporting goods	873,350	.56	5.6	41,484	4,491
Florists	336,409	.22	7.0	15,979	3,363
Photographic equipment and supplies	368,060	.24	6.1	17,483	1,002
Musical instruments	903,772	.58	3.6	42,929	2,711
Stationery and books	1,250,726	.81	11.3	59,410	5,247
Jewelry	805,425	.52	4.2	38,258	4,044
Office, store, and school supplies	3,204,680	2.07	16.8	152,222	3,980
Other specialties	2,397,812	1.54	12.9	113,896	18,996
Specialty stores group	10,737,414	6.92	11.0	510,027	51,009
Food stores selling all types of liquors [c]	7,292,480	4.70	12.9	346,393	4,560
All other food stores [c]	2,666,620	1.72	4.1	126,664	16,067
Packaged liquor stores	2,023,735	1.30	−0.9	96,127	5,828
Eating places: no alcoholic beverages	4,912,239	3.17	8.1	233,331	25,281
Eating places: beer and wine	2,787,264	1.80	12.2	132,395	16,687
Eating and drinking: all types of liquor	5,279,474	3.40	6.5	250,775	10,803
Eating and drinking group	12,978,977	8.37	8.3	616,501	52,771
Household and home furnishings	2,800,896	1.81	0.3	133,043	15,211
Household appliance dealers	1,698,184	1.09	9.2	80,664	4,115
Second-hand merchandise	179,517	.12	8.1	8,527	3,920
Farm implement dealers	1,040,256	.67	−14.6	49,412	1,125
Farm and garden supply stores	861,807	.55	2.3	40,936	3,453
Fuel and ice dealers	335,443	.22	8.0	15,933	789
Lumber and building materials	3,042,799	1.96	−17.8	144,533	3,769
Hardware stores	1,017,789	.66	−11.3	48,345	2,128
Plumbing and electrical supplies	652,163	.42	−2.1	30,978	1,318
Paint, glass, and wallpaper	618,067	.40	−0.2	29,358	1,945
Building material group	5,330,818	3.44	−13.1	253,214	9,160
New motor vehicle dealers	12,426,982	8.01	6.7	590,282	2,476
Used motor vehicle dealers	809,883	.52	4.3	38,469	3,225
Automotive supplies and parts	2,179,583	1.40	9.8	103,530	7,575
Service stations	15,104,061	9.74	−5.9	717,443	14,687
Mobile homes, trailers, and campers	555,173	.35	−16.7	26,371	1,338
Boat, motorcycle, and plane dealers	923,679	.60	2.8	43,875	2,586
Automotive group	31,999,361	20.63	−0.1	1,519,970	31,887
Retail Stores Totals	**101,744,593**	**65.59**	**3.7**	**4,832,868**	**230,023**
Business and Personal Services	**5,947,062**	**3.83**	**7.7**	**282,486**	**83,223**
All Other Outlets	**47,432,546**	**30.58**	**4.1**	**2,253,046**	**427,331**
Totals All Outlets	**$155,124,201**	**100.00**	**4.0**	**$7,368,400** [d]	**740,577**
HISTORICAL DATA					
Comparable data for all outlets:					
1980–81	149,196,635	-	7.8	7,086,840	698,080
1979–80	138,350,647	-	13.5	6,571,656	673,679
1978–79	121,902,213	-	15.3	5,790,355	642,152
1977–78	105,725,484	-	16.7	5,021,960	611,397

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[a] Sales or purchases made with minor exceptions during the fiscal year as reported on returns received from Aug. 7, 1981 through Aug. 5, 1982.

[b] A separate permit is required for each outlet of each person selling tangible personal property of a kind whose retail sale is subject to tax.

[c] Only sales subject to sales and use tax are tabulated. Excluded are sales of food for home consumption and prescription medicines.

[d] In addition, the Board assessed state taxes of $140,909,000 and penalties and interest of $28,530,000.

TABLE 20—STATE SALES AND USE TAX STATISTICS, BY COUNTY, 1981–82

County	Taxable sales of retail stores (in thousands)	Taxable sales of all outlets[a]			State tax (in thousands)	Number of permits on June 30, 1982[b]
		Amount (in thousands)	Percent of total	Percent change from 1980–81		
1	2	3	4	5	6	7
Alameda	$4,389,305	$7,031,139	4.53	3.6	$333,979	32,150
Alpine	5,103	10,959	0.01	[c]	521	47
Amador	66,689	88,183	0.06	0.4	4,189	1,075
Butte	570,349	745,049	0.48	−3.2	35,390	4,964
Calaveras	56,710	85,194	0.05	−0.1	4,047	965
Colusa	57,405	112,771	0.07	−5.6	5,357	481
Contra Costa	2,968,676	4,000,837	2.58	2.9	190,040	17,847
Del Norte	54,924	75,642	0.05	−11.4	3,593	735
El Dorado	327,744	411,625	0.26	0.6	19,552	3,722
Fresno	2,259,008	3,207,164	2.07	−1.0	152,340	15,130
Glenn	73,753	117,879	0.08	−3.0	5,599	692
Humboldt	415,546	555,031	0.36	−4.6	26,364	4,006
Imperial	429,562	578,997	0.37	3.2	27,502	2,643
Inyo	110,665	143,053	0.09	6.7	6,795	817
Kern	1,976,296	3,459,065	2.23	8.4	164,307	11,313
Kings	296,782	392,321	0.25	−0.2	18,635	1,760
Lake	120,313	167,957	0.11	7.4	7,978	1,581
Lassen	58,963	87,165	0.06	−7.6	4,140	879
Los Angeles	31,930,092	49,477,707	31.90	3.2	2,350,191	227,337
Madera	189,082	309,816	0.20	2.1	14,716	1,841
Marin	1,014,845	1,327,053	0.86	5.1	63,035	9,051
Mariposa	19,898	55,841	0.04	0.5	2,652	508
Mendocino	272,308	375,779	0.24	−1.4	17,850	3,041
Merced	468,161	612,247	0.39	2.6	29,082	3,028
Modoc	31,303	40,359	0.03	−0.4	1,917	389
Mono	64,627	86,693	0.06	16.4	4,118	591
Monterey	1,264,678	1,678,798	1.08	10.4	79,743	8,086
Napa	359,273	494,962	0.32	2.2	23,511	3,219
Nevada	198,449	275,776	0.18	−0.9	13,099	2,562
Orange	9,376,095	14,232,850	9.17	5.9	676,060	68,782
Placer	537,369	701,185	0.45	3.6	33,306	4,338
Plumas	58,705	78,485	0.05	−3.0	3,728	992
Riverside	2,744,086	3,607,022	2.32	4.3	171,334	20,143
Sacramento	3,443,299	4,746,828	3.06	1.9	225,474	21,292
San Benito	68,117	106,027	0.07	4.7	5,036	687
San Bernardino	3,414,563	4,663,501	3.01	5.7	221,516	27,927
San Diego	7,563,290	10,669,235	6.88	5.8	506,789	51,765
San Francisco	3,524,924	5,595,208	3.61	7.3	265,772	26,912
San Joaquin	1,385,269	1,944,274	1.25	−0.1	92,353	8,214
San Luis Obispo	635,915	837,082	0.54	7.6	39,761	6,361
San Mateo	2,860,338	4,560,686	2.94	6.2	216,633	18,058
Santa Barbara	1,357,066	1,875,375	1.21	8.4	89,080	11,587
Santa Clara	6,060,343	9,674,320	6.24	4.8	459,530	39,202
Santa Cruz	701,260	932,801	0.60	1.3	44,308	7,018
Shasta	506,294	687,041	0.44	−5.0	32,635	4,614
Sierra	6,003	9,148	0.01	0.7	435	137
Siskiyou	134,452	187,894	0.12	−3.5	8,925	1,713
Solano	806,264	1,036,044	0.67	4.6	49,212	5,230
Sonoma	1,247,383	1,728,059	1.11	5.2	82,083	10,830
Stanislaus	1,100,129	1,557,033	1.00	1.0	73,959	7,719
Sutter	219,439	304,123	0.20	−0.8	14,446	1,552
Tehama	147,696	191,007	0.12	2.9	9,073	1,317
Trinity	25,143	34,488	0.02	−6.0	1,638	535
Tulare	911,692	1,256,186	0.81	1.2	59,669	6,876
Tuolumne	122,427	162,232	0.10	−3.5	7,706	1,807
Ventura	2,038,093	2,765,604	1.78	7.6	131,366	15,326
Yolo	462,868	760,483	0.49	2.6	36,123	2,973
Yuba	163,506	210,752	0.14	0.2	10,011	1,377
Statewide	72,052	4,004,146	2.58	1.0	190,197	4,793
Totals	$101,744,593	$155,124,201	100.00	4.0	$7,368,400[d]	740,577

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[a] Sales or purchases made, with minor exceptions, during the fiscal year, as reported on returns received from Aug. 7, 1981 through Aug. 5, 1982.

[b] A separate permit is required for each outlet at which retail sales are made of any kind of tangible personal property which is subject to tax.

[c] Percentage change not shown for Alpine County because its small base is subject to violent fluctuations that are not regarded as significant.

[d] In addition, the Board assessed state taxes of $140,909,000 and penalties and interest of $28,530,000.

TABLE 21A—REVENUES DISTRIBUTED TO CITIES AND COUNTIES FROM LOCAL SALES AND USE TAXES AND THE STATE CIGARETTE TAX, 1981–82

(In dollars)

Jurisdiction	Revenue distributed	
	Local sales and use taxes	State cigarette tax
1	2	3
Alameda County	9,410,452	490,025
Alameda City	2,473,750	175,069
Albany	658,940	43,081
Berkeley	6,177,522	331,075
Dublin[a]	112,500	11,040
Emeryville	2,318,150	61,842
Fremont	6,254,582	385,136
Hayward	8,872,727	380,703
Livermore	1,732,340	127,601
Newark	2,171,814	109,547
Oakland	20,471,452	1,093,960
Piedmont	70,742	20,214
Pleasanton	2,007,889	106,440
San Leandro	9,231,309	325,336
Union City	1,512,397	108,103
Total	73,476,566	3,771,172
Alpine County	110,715	5,479
Amador County	365,315	19,501
Amador City	4,692	360
Ione	81,205	5,861
Jackson	327,514	11,974
Plymouth	23,138	1,804
Sutter Creek	102,011	5,597
Total	903,875	45,097
Butte County	2,817,952	147,850
Biggs	16,376	2,904
Chico	2,514,037	110,600
Gridley	479,661	18,475
Paradise	1,292,324	48,001
Oroville	775,583	58,684
Total	7,895,933	386,514
Calaveras County	665,205	35,081
Angels Camp	227,071	9,386
Total	892,276	44,467
Colusa County	570,239	29,757
Colusa City	530,056	20,776
Williams	122,744	5,887
Total	1,223,039	56,420
Contra Costa County	7,622,937	404,553
Antioch	2,143,164	129,299
Brentwood	229,163	13,448
Clayton	51,513	9,160
Concord	8,689,882	390,612
El Cerrito	1,297,265	71,467
Hercules	3,867	11,437
Lafayette	1,022,713	69,433
Martinez	666,274	59,167
Moraga	334,850	34,466
Pinole	681,217	41,209
Pittsburg	994,042	83,631
Pleasant Hill	2,746,238	111,305
Richmond	7,388,973	320,037
San Pablo	1,440,943	70,147
Walnut Creek	5,718,084	238,136
Total	41,033,125	2,057,507
Del Norte County	284,061	15,340
Crescent City	530,849	18,928
Total	814,910	34,268
El Dorado County	1,254,401	64,340
Placerville	1,234,974	43,009
South Lake Tahoe	1,817,455	82,158
Total	4,306,830	189,507
Fresno County	6,587,067	378,115
Clovis	1,889,291	106,363
Coalinga	447,026	22,691
Firebaugh	375,043	15,760
Fowler	129,319	7,899
Fresno City	20,892,742	911,904
Huron	96,542	7,321
Kerman	309,016	14,406
Kingsburg	257,158	15,475
Mendota	231,071	14,594
Orange Cove	99,626	9,491
Parlier	101,635	7,511
Reedley	672,354	36,698
Sanger	570,518	36,791
San Joaquin	136,897	6,912
Selma	807,986	39,195
Total	33,603,291	1,631,126
Glenn County	516,354	27,513
Orland	339,141	15,840
Willows	409,537	18,630
Total	1,265,032	61,983
Humboldt County	1,262,159	67,826
Arcata	675,375	40,427
Blue Lake	11,613	2,423
Eureka	3,248,570	122,971
Ferndale	69,898	4,164
Fortuna	492,911	25,486
Rio Dell	49,842	6,057
Trinidad	28,477	1,379
Total	5,838,845	270,735
Imperial County	1,591,440	83,952
Brawley	857,810	48,226
Calexico	1,453,286	59,503
Calipatria	101,771	7,127
El Centro	1,729,876	85,267
Holtville	91,671	10,316
Imperial City	211,741	11,589
Westmorland	43,683	3,928
Total	6,081,278	309,908
Inyo County	568,323	29,227
Bishop	922,679	27,928
Total	1,491,002	57,155
Kern County	15,387,062	785,902
Arvin	266,355	18,861
Bakersfield	15,992,548	568,352
California City	40,654	5,854
Delano	1,212,986	59,120
Maricopa	38,756	2,525
McFarland	86,508	11,427
Ridgecrest	1,048,590	53,173
Shafter	465,331	23,665
Taft	1,127,236	35,847
Tehachapi	205,742	12,228
Wasco	385,351	26,756
Total	36,257,119	1,604,210
Kings County	1,117,919	59,748
Avenal	134,394	10,581
Corcoran	604,843	26,322
Hanford	1,864,487	82,937
Lemoore	407,697	26,304
Total	4,129,340	205,892
Lake County	909,502	49,219
Clearlake	390,455	32,326
Lakeport	441,477	16,665
Total	1,741,434	98,210
Lassen County	364,833	20,074
Susanville	540,367	25,075
Total	905,200	45,149
Los Angeles County	34,580,146	1,812,476
Alhambra	4,299,129	218,451
Arcadia	4,418,030	184,474
Artesia	852,371	45,965
Avalon	226,364	9,152
Azusa	1,630,531	92,740
Baldwin Park	1,382,113	125,986
Bell	930,714	67,245
Bellflower	2,866,171	163,688
Bell Gardens	947,929	84,487
Beverly Hills	7,917,284	243,515
Bradbury	349	1,509
Burbank	7,831,104	337,494
Carson	8,216,561	342,132
Cerritos	7,227,819	265,822
Claremont	839,497	78,942
Commerce	11,383,208	288,324
Compton	2,782,100	213,132
Covina	3,815,059	163,625
Cudahy	560,502	44,496
Culver City	6,765,924	421,795
Downey	6,663,434	305,365
Duarte	532,271	44,233
El Monte	5,445,399	276,295
El Segundo	9,175,338	288,418
Gardena	3,788,393	170,367
Glendale	11,731,827	526,111
Glendora	2,148,414	121,330
Hawaiian Gardens	492,396	30,531
Hawthorne	5,163,784	224,135
Hermosa Beach	939,677	54,584
Hidden Hills	6,866	3,274
Huntington Park	2,831,214	151,756
Industry	8,683,316	209,445
Inglewood	5,149,026	289,350
Irwindale	1,077,197	31,850
La Canada Flintridge	946,654	57,762
La Habra Heights	20,953	9,124
Lakewood	4,049,253	229,836
La Mirada	2,601,133	134,449
Lancaster	3,919,397	179,367
La Puente	1,250,483	84,202
La Verne	739,562	60,686
Lawndale	1,317,958	74,247
Lomita	650,329	49,230
Long Beach	20,440,860	1,126,359
Los Angeles City	194,703,886	14,271,806
Lynwood	1,678,035	127,249
Manhattan Beach	1,923,061	103,468
Maywood	562,391	52,613
Monrovia	2,039,256	104,118
Montebello	3,954,677	192,616
Monterey Park	2,532,988	155,676
Norwalk	4,856,970	268,063
Palmdale	1,017,665	46,046
Palos Verdes Est.	147,419	28,879
Paramount	3,196,120	141,510
Pasadena	10,935,487	470,245
Pico Rivera	2,800,780	163,143
Pomona	6,173,854	322,013
Rancho Palos Verdes	284,945	70,335
Redondo Beach	3,152,660	179,314
Rolling Hills	6,791	3,761
Rolling Hills Est.	1,010,883	38,112
Rosemead	1,912,703	121,441
San Dimas	622,784	57,943
San Fernando	1,261,244	62,205
San Gabriel	2,139,830	104,845
San Marino	260,152	29,779
Santa Fe Springs	8,808,405	232,082
Santa Monica	9,539,003	639,513
Sierra Madre	142,458	22,551
Signal Hill	2,996,841	83,520

TABLE 21A—REVENUES DISTRIBUTED TO CITIES AND COUNTIES FROM LOCAL SALES AND USE TAXES AND THE STATE CIGARETTE TAX, 1981–82—Continued

(In dollars)

Jurisdiction	Revenue distributed	
	Local sales and use taxes	State cigarette tax
1	2	3
Los Angeles County —Continued		
South El Monte	2,412,091	89,944
South Gate	3,219,833	199,106
South Pasadena	771,166	57,924
Temple City	1,027,773	76,749
Torrance	13,847,232	562,825
Vernon	4,942,192	120,601
Walnut	159,945	25,807
West Covina	5,461,449	275,840
Westlake Village [a]	108,714	7,256
Whittier	5,589,763	256,194
Total	515,439,485	29,702,848
Madera County	1,399,030	74,269
Chowchilla	259,147	15,532
Madera City	1,555,945	77,634
Total	3,214,122	167,435
Marin County	1,334,212	69,728
Belvedere	46,383	5,324
Corte Madera	842,464	35,368
Fairfax	191,348	17,660
Larkspur	840,821	39,890
Mill Valley	836,211	42,490
Novato	1,820,295	121,777
Ross	32,873	5,666
San Anselmo	568,714	34,350
San Rafael	6,045,564	225,541
Sausalito	913,804	35,145
Tiburon	207,859	16,831
Total	13,680,548	649,770
Mariposa County	589,910	31,147
Mendocino County	1,417,249	74,524
Fort Bragg	570,701	23,559
Point Arena	26,774	1,392
Ukiah	1,446,618	56,859
Willits	430,268	17,724
Total	3,891,610	174,058
Merced County	1,796,049	94,945
Atwater	430,135	42,649
Dos Palos	214,633	11,000
Gustine	97,839	8,086
Livingston	130,293	12,633
Los Banos	735,016	36,914
Merced City	2,909,316	136,314
Total	6,313,281	342,541
Modoc County	136,209	7,280
Alturas	272,725	12,121
Total	408,934	19,401
Mono County	900,738	45,260
Monterey County	2,341,964	122,380
Carmel	1,051,531	33,795
Del Rey Oaks	93,185	4,848
Gonzales	120,363	8,020
Greenfield	159,462	11,535
King City	439,466	20,493
Marina	289,427	43,654
Monterey City	3,287,647	125,266
Pacific Grove	701,709	43,936
Salinas	6,519,003	301,026
Sand City	110,025	2,958
Seaside	1,588,351	103,215
Soledad	122,624	13,463
Total	16,824,757	834,589
Napa County	1,928,740	101,196
Calistoga	169,577	11,004
Napa City	2,609,672	153,904
St. Helena	399,287	18,362
Yountville	100,023	7,521
Total	5,207,299	291,987
Nevada County	1,760,029	91,924
Grass Valley	886,022	34,372
Nevada City	276,825	11,184
Total	2,922,876	137,480
Orange County	11,099,009	573,206
Anaheim	21,095,261	905,359
Brea	3,296,019	132,578
Buena Park	6,827,849	278,726
Costa Mesa	12,493,872	445,982
Cypress	2,117,132	119,998
Fountain Valley	2,663,663	160,579
Fullerton	7,153,633	353,505
Garden Grove	7,298,686	394,865
Huntington Beach	10,269,192	545,819
Irvine	7,789,373	304,269
Laguna Beach	1,258,610	61,622
La Habra	2,581,684	143,220
La Palma	325,628	35,503
Los Alamitos	1,398,650	53,455
Newport Beach	7,129,369	283,661
Orange City	9,913,314	409,250
Placentia	1,462,673	97,703
San Clemente	1,281,736	79,990
San Juan Capistrano	1,005,291	58,025
Santa Ana	16,243,700	760,914
Seal Beach	980,484	68,835
Stanton	1,328,419	75,568
Tustin	3,881,465	155,621
Villa Park	126,173	15,540
Westminster	5,715,503	262,970
Yorba Linda	502,111	64,067
Total	147,238,499	6,840,830
Placer County	3,141,647	163,417
Auburn	1,006,439	37,807
Colfax	171,183	5,867
Lincoln	230,523	13,128
Rocklin	254,346	19,331
Roseville	2,512,738	104,544
Total	7,316,876	344,094
Plumas County	762,144	40,390
Portola	88,475	5,464
Total	850,619	45,854
Riverside County	8,440,400	455,193
Banning	584,071	39,544
Beaumont	526,664	24,772
Blythe	840,521	32,077
Cathedral City [a]	390,441	17,790
Coachella	503,272	28,579
Corona	2,652,810	132,149
Desert Hot Springs	200,839	15,973
Hemet	1,840,199	86,561
Indian Wells	82,268	4,887
Indio	2,564,688	101,456
Lake Elsinore	526,829	23,208
La Quinta [a]	—	780
Norco	460,253	48,034
Palm Desert	1,084,523	45,798
Palm Springs	3,531,488	142,748
Perris	420,849	22,458
Riverside County —Continued		
Rancho Mirage	916,261	32,842
Riverside City	11,748,796	584,816
San Jacinto	230,078	18,696
Total	37,545,250	1,858,361
Sacramento County	28,251,190	1,475,115
Folsom	486,704	31,868
Galt	229,973	15,414
Isleton	57,200	3,034
Sacramento	19,917,757	978,532
Total	48,942,824	2,503,963
San Benito County	265,834	13,820
Hollister	769,862	39,573
San Juan Bautista	51,848	3,518
Total	1,087,544	56,911
San Bernardino County	9,468,583	491,432
Adelanto	48,862	5,156
Barstow	1,706,535	72,505
Big Bear	576,495	28,825
Chino	1,625,669	111,579
Colton	1,784,583	91,610
Fontana	1,739,925	114,021
Grand Terrace	232,667	20,928
Loma Linda	267,968	26,549
Montclair	3,272,760	119,347
Needles	339,665	15,448
Ontario	4,979,335	280,599
Rancho Cucamonga	1,978,753	144,401
Redlands	2,313,176	133,886
Rialto	1,842,045	115,341
San Bernardino	11,589,727	492,851
Upland	2,831,133	152,842
Victorville	2,073,819	75,982
Total	48,671,700	2,493,302
San Diego County	9,562,940	495,171
Carlsbad	3,820,596	152,897
Chula Vista	4,438,517	249,966
Coronado	658,011	49,510
Del Mar	305,382	16,259
El Cajon	7,161,348	301,159
Escondido	6,404,410	267,566
Imperial Beach	360,307	48,925
La Mesa	4,000,360	183,058
Lemon Grove	1,059,438	62,190
National City	4,874,343	205,497
Oceanside	3,186,450	212,782
Poway	1,120,929	115,393
San Diego City	59,775,832	2,983,087
San Marcos	1,324,040	63,346
Santee	1,550,553	141,714
Vista	1,419,975	98,497
Total	111,023,431	5,647,017
City and County of San Francisco	57,779,580	3,002,698
San Joaquin County	4,402,638	234,250
Escalon	219,094	10,990
Lodi	2,571,480	124,052
Manteca	1,322,319	77,343
Ripon	160,888	10,763
Stockton	10,772,112	536,406
Tracy	870,197	54,310
Total	20,318,728	1,048,114

TABLE 21A—REVENUES DISTRIBUTED TO CITIES AND COUNTIES FROM LOCAL SALES AND USE TAXES AND THE STATE CIGARETTE TAX, 1981–82—Concluded

(In dollars)

Jurisdiction	Revenue distributed	
	Local sales and use taxes	State cigarette tax
1	2	3
San Luis Obispo County	1,725,399	89,245
Arroyo Grande	636,691	35,543
Atascadero	873,239	49,609
Grover City	266,181	42,720
Morro Bay	655,991	22,012
Paso Robles	1,078,106	31,830
Pismo Beach	377,723	18,476
San Luis Obispo	3,242,752	138,075
Total	8,856,082	427,510
San Mateo County	7,558,786	385,525
Atherton	35,918	14,668
Belmont	800,765	62,174
Brisbane	1,048,578	31,942
Burlingame	4,285,234	148,823
Colma	1,291,790	31,773
Daly City	4,013,390	233,763
Foster City	791,439	60,518
Half Moon Bay	363,838	21,474
Hillsborough	48,128	19,973
Menlo Park	2,088,580	97,515
Millbrae	1,422,728	69,227
Pacifica	714,930	82,290
Portola Valley	50,015	8,218
Redwood City	4,752,383	210,383
San Bruno	2,748,226	129,881
San Carlos	2,432,284	103,531
San Mateo	6,390,300	292,398
S. San Francisco	6,008,348	235,633
Woodside	122,707	12,270
Total	46,968,367	2,251,979
Santa Barbara County	5,134,687	263,369
Carpinteria	483,067	30,604
Guadalupe	96,753	8,917
Lompoc	1,300,664	77,419
Santa Barbara City	7,486,863	307,890
Santa Maria	4,876,011	187,580
Total	19,378,045	875,779
Santa Clara County	11,796,210	611,032
Campbell	3,419,859	136,856
Cupertino	4,247,695	163,045
Gilroy	1,553,131	76,924
Los Altos	1,171,106	75,027
Los Altos Hills	73,074	14,681
Los Gatos	2,127,282	98,222
Milpitas	1,855,214	111,484
Monte Sereno	2,103	6,139
Morgan Hill	711,038	48,735
Mountain View	6,290,461	256,300
Palo Alto	7,792,750	286,297
San Jose	35,142,223	1,986,850
Santa Clara City	14,185,958	488,344
Saratoga	535,100	64,364
Sunnyvale	10,382,108	439,400
Total	101,287,312	4,863,700
Santa Cruz County	2,708,429	141,582
Capitola	1,283,495	45,979
Santa Cruz	3,451,637	159,086
Scotts Valley	572,795	26,378
Watsonville	1,750,178	84,482
Total	9,766,534	457,507
Shasta County	1,717,035	88,622
Anderson	424,024	23,435
Redding	5,100,670	205,734
Total	7,241,729	317,791
Sierra County	55,634	2,988
Loyalton	41,331	2,813
Total	96,965	5,801
Siskiyou County	425,307	22,889
Dorris	23,106	2,018
Dunsmuir	76,271	5,829
Etna	35,334	2,199
Fort Jones	42,116	1,956
Montague	36,384	3,284
Mount Shasta	277,147	11,693
Tulelake	48,919	2,623
Weed	192,222	9,997
Yreka	810,792	30,418
Total	1,967,598	92,906
Solano County	690,555	36,404
Benicia	706,280	45,766
Dixon	385,612	23,434
Fairfield	3,137,616	177,532
Rio Vista	451,963	16,712
Suisun	227,157	26,522
Vacaville	1,598,291	116,697
Vallejo	3,769,312	235,754
Total	10,966,786	678,821
Sonoma County	5,959,389	310,789
Cloverdale	195,007	11,806
Cotati	328,081	14,119
Healdsburg	892,143	34,424
Petaluma	2,171,873	112,131
Rohnert Park	740,200	60,030
Santa Rosa	6,609,699	307,746
Sebastopol	491,851	22,136
Sonoma City	587,301	25,222
Total	17,975,544	898,403
Stanislaus County	4,082,024	219,666
Ceres	911,739	47,086
Hughson	111,725	8,031
Modesto	7,854,514	382,170
Newman	209,607	10,226
Oakdale	644,340	30,793
Patterson	247,802	13,543
Riverbank	137,473	13,629
Turlock	1,850,296	93,872
Waterford	81,035	6,879
Total	16,130,555	825,895
Sutter County	1,062,126	56,718
Live Oak	77,262	7,426
Yuba City	2,045,292	82,953
Total	3,184,680	147,097
Tehama County	477,135	25,329
Corning	599,970	23,342
Red Bluff	906,191	39,098
Tehama City	1,969	719
Total	1,985,265	88,488
Trinity County	366,430	19,586
Tulare County	3,440,078	180,473
Dinuba	437,299	28,580
Exeter	203,559	15,054
Farmersville	93,008	12,175
Lindsay	290,235	19,409
Porterville	1,637,454	77,167
Tulare	1,734,063	81,350
Visalia	5,246,165	217,736
Woodlake	111,834	12,182
Total	13,193,695	644,126
Tuolumne County	1,094,515	58,509
Sonora	611,769	20,951
Total	1,706,284	79,460
Ventura County	3,312,969	178,223
Camarillo	1,457,045	104,106
Fillmore	334,510	24,914
Ojai	427,856	22,484
Oxnard	6,098,398	341,854
Port Hueneme	492,889	43,547
San Buenaventura	7,143,927	306,472
Santa Paula	857,068	57,062
Simi Valley	2,552,216	198,036
Thousand Oaks	5,725,379	291,797
Total	28,402,257	1,568,495
Yolo County	4,281,986	221,999
Davis	1,442,790	99,427
Winters	82,242	6,628
Woodland	2,224,118	106,834
Total	8,031,136	434,888
Yuba County	813,912	43,094
Marysville	1,403,676	50,981
Wheatland	27,283	3,435
Total	2,244,871	97,510
Amounts distributed to:		
City and County of San Francisco	57,779,580	3,002,698
Counties other than San Francisco	231,689,203	12,136,667
Cities other than San Francisco	1,282,419,773	66,748,836
Grand totals	1,571,888,556	81,888,201

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[a] During the fiscal year, four cities became incorporated. Those cities, the effective date of their sales tax ordinances, and the number of months of sales tax distributions they received during 1981–82 are as follows:

Cathedral City; January 1, 1982; 4 months
Westlake Village; January 1, 1982; 4 months
Dublin; April 1, 1982; 1 month
La Quinta; July 1, 1982; none

TABLE 21B—REVENUES DISTRIBUTED TO COUNTIES FROM COUNTY TRANSPORTATION TAX,[a] 1981–82

County 1	Revenue distributed[b] 2
Alameda	$18,359,798
Alpine	27,993
Amador	225,007
Butte	1,963,022
Calaveras	222,223
Colusa	304,845
Contra Costa	10,194,186
Del Norte	202,875
El Dorado	1,078,046
Fresno	8,384,126
Glenn	317,632
Humboldt	1,457,480
Imperial	1,522,810
Inyo	373,040
Kern	9,066,215
Kings	1,034,079
Lake	435,833
Lassen	225,110
Los Angeles	128,819,324
Madera	804,461
Marin	$3,417,566
Mariposa	147,593
Mendocino	971,855
Merced	1,581,131
Modoc	102,483
Mono	224,704
Monterey	4,204,649
Napa	1,301,868
Nevada	730,943
Orange	36,787,369
Placer	1,827,970
Plumas	212,407
Riverside	9,367,266
Sacramento	12,249,284
San Benito	271,532
San Bernardino	12,154,156
San Diego	27,803,452
San Francisco	14,423,700
San Joaquin	5,071,803
San Luis Obispo	2,196,066
San Mateo	$11,720,150
Santa Barbara	4,848,710
Santa Clara	25,306,469
Santa Cruz	2,441,377
Shasta	1,807,623
Sierra	24,280
Siskiyou	488,621
Solano	2,749,175
Sonoma	4,486,919
Stanislaus	4,029,609
Sutter	794,845
Tehama	496,109
Trinity	91,314
Tulare	3,308,905
Tuolumne	425,783
Ventura	7,098,531
Yolo	2,009,991
Yuba	561,234
Total	$392,755,547

[a] Effective July 1, 1972, a ¼ percent county sales tax was imposed. This revenue is to be used for transportation purposes in each county.

[b] These are actual payments to the counties and exclude the Board's administrative charge of $3,230,485 and the Business and Transportation Agency's administrative charge of $350,530.

TABLE 21C—LOCAL SALES AND USE TAX RATES IMPOSED BY CALIFORNIA CITIES ON JULY 1, 1982

County 1	City rate[a] 2	Cities 3
Alameda	1.00	Dublin
	.95	All other cities
Alpine	–	No incorporated cities
Amador	1.00	All cities
Butte	1.00	All cities
Calaveras	.95	Angels Camp
Colusa	1.00	All cities
Contra Costa	.975	All cities
Del Norte	1.00	All cities
El Dorado	1.00	All cities
Fresno	.99	Fresno
	1.00	All other cities
Glenn	1.00	All cities
Humboldt	1.00	All cities
Imperial	1.00	All cities
Inyo	1.00	All cities
Kern	.99	Shafter
	1.00	All other cities
Kings	.95	Hanford
	.98	All other cities
Lake	1.00	All cities
Lassen	.95	Susanville
Los Angeles	1.00	All cities
Madera	1.00	All cities
Marin	1.00	All cities
Mariposa	–	No incorporated cities
Mendocino	1.00	All cities
Merced	.925	Merced
	.95	Los Banos
	1.00	All other cities
Modoc	.90	Alturas
Mono	–	No incorporated cities
Monterey	1.00	All cities
Napa	.855	All cities
Nevada	1.00	All cities
Orange	1.00	All cities
Placer	1.00	All cities
Plumas	.95	Portola
Riverside	1.00	All cities
Sacramento	1.00	All cities
San Benito	1.00	All cities
San Bernardino	1.00	All cities
San Diego	1.00	All cities
San Francisco	1.00	–
San Joaquin	1.00	Stockton/Tracy/Manteca/Lodi
	.95	All other cities
San Luis Obispo	1.00	All cities
San Mateo	.95	All cities
Santa Barbara	1.00	All cities
Santa Clara	.91	All cities
Santa Cruz	1.00	All cities
Shasta	1.00	All cities
Sierra	.95	Loyalton
Siskiyou	1.00	All cities
Solano	1.00	All cities
Sonoma	.95	All cities
Stanislaus	.94	Modesto/Turlock
	1.00	All other cities
Sutter	1.00	All cities
Tehama	1.00	Tehama
	.90	All other cities
Trinity	–	No incorporated cities
Tulare	.95	All cities
Tuolumne	.95	Sonora
Ventura	1.00	Ojai
	.967	All other cities
Yolo	1.00	All cities
Yuba	1.00	All cities

[a] Each city's tax rate is credited against the county's one percent tax.

TABLE 22—LOCAL SALES TAXES, DISTRIBUTIONS AND ADMINISTRATIVE CHARGES TO CITIES AND COUNTIES, 1956–57 TO 1981–82

Fiscal year	Net amount distributed (in thousands)				Administrative cost rate per $100 collected[d]	Administrative charge[e] (in thousands)
	County transportation tax[a]	Local sales tax[b]		Total		
		To counties[c]	To cities			
1	2	3	4	5	6	7
1981–82	$392,756	$289,469	$1,282,420	$1,964,645	.82	$16,433
1980–81	361,888	272,741[r]	1,176,000[r]	1,810,629	.82	15,253
1979–80	340,922	255,372[r]	1,108,417[r]	1,704,711	.82	14,181
1978–79	296,051	220,403[r]	962,997[r]	1,479,451	.82	12,402
1977–78	257,221	192,488	837,756	1,287,465	.82	10,798
1976–77	219,309	167,516	709,664	1,096,489	.82	9,257
1975–76	190,348	147,670	618,406	956,424	.82	8,031
1974–75	172,343	136,047	559,337	867,727	.82	7,253
1973–74	158,087	124,964	513,282	796,333	.82	6,560
1972–73	110,010[f]	105,678	447,986	663,674	.82[g]	5,521
1971–72	—	91,117	387,977	479,094	1.01	4,891
1970–71	—	82,337	347,766	430,103	1.09	4,652
1969–70	—	80,691	345,626	426,317	1.10	4,696
1968–69	—	74,687	318,913	393,600	1.13	4,544
1967–68	—	73,227	300,530	373,757[h]	1.23[i]	4,926
1966–67	—	68,097	270,241	338,338	1.50	5,162
1965–66	—	64,337	254,851	319,188	1.53	4,871
1964–65	—	62,063	239,455	301,518	1.50	4,610
1963–64	—	59,242	222,908	282,150	1.53	4,386
1962–63	—	55,786[j]	205,435	261,221[j]	1.53	4,077
1961–62	—	53,763	186,881	240,644	1.57	3,856
1960–61	—	51,793	174,505	226,298	1.60	3,650
1959–60	—	52,396	162,749	215,145[k]	1.50	3,348
1958–59	—	44,835	144,968	189,803[l]	1.64	3,134
1957–58	—	29,473	132,442	161,915	1.72	2,837
1956–57	—	21,257	103,220	124,477	1.65	2,143

[a] Administrative charges by the Board of Equalization and the Business and Transportation Agency have been deducted. These amounted to $3,581,015 in 1981–82.

[b] Includes any administrative cost adjustment made during the fiscal year.

[c] Includes the City and County of San Francisco.

[d] Prior to July 1, 1972, the actual cost of collecting $100 in the fiscal year and the ultimate rate which cities and counties were charged.

[e] These are the amounts actually withheld. The exact charge for administration in any year cannot be computed from the rate shown in the previous column, because the tentative charge used to withhold funds is based on the effective rate in the prior fiscal year. Adjustments are deducted from the fiscal year to which they apply.

[f] Includes advances and payments for only ten months.

[g] Effective July 1, 1972, an administrative cost rate of 82 cents per $100 collected was set by law.

[h] Effective October 1, 1967, taxpayers who were required to prepay state sales and use tax were also required to prepay local sales and use tax. This resulted in a one-time windfall of $19,250,000 during the 1967–68 fiscal year.

[i] Additional revenue from the one-cent increase in the state sales tax rate effective August 1, 1967, resulted in a sharp reduction in the ratio.

[j] Excludes $595,317 that was collected in 1959–60 and impounded pending decision on litigation brought by the City of Commerce. This amount, plus accumulated interest, was distributed in 1962–63.

[k] Excludes $3,825,750 advanced to cities and counties in the 1958–59 fiscal year out of receipts that normally would have been distributed in the first quarter of the 1959–60 fiscal year. This sum was distributed to help local jurisdictions whose sales tax receipts were running below expectations because of the 1957–58 business recession.

[l] Includes the $3,825,750 discussed in the previous footnote.

[m] Effective January 1, 1978, 25 percent of the revenue collected under the Bay Area Rapid Transit District Sales Tax was earmarked for the Metropolitan Transportation Commission. (Collections are shown in Table 2, footnote e.) The BARTD figures below include MTC allocations. For 1981–82, BARTD received direct allocations of $60,991,000 and $26,983,000 were allocated for MTC as follows: Alameda-Contra Costa Transit District, $21,285,000 and San Francisco Municipal Railway, $5,650,000; and BARTD, $48,000.

[r] Revised.

NOTE: Excludes distributions to rapid transit districts which were collected at the rate of ⅓ of one percent as follows:

Fiscal Year	BARTD[m]	SCRTD	SCCTD	SCMTD	Administrative Charge
1981–82	$87,974,000	—	$49,514,000	$5,017,000	$2,252,000
1980–81	65,651,000	—	44,218,000	4,752,000	2,061,000
1979–80	74,836,000	$171	40,702,000	4,190,000	1,911,000
1978–79	50,740,000	172	35,326,000	1,037,000	1,587,000
1977–78	50,704,000	—	29,976,000	—	1,404,000
1976–77	47,368,000	1,000	12,807,000	—	965,817
1975–76	42,220,000	204,000	—	—	713,051
1974–75	39,622,000	401,000	—	—	668,594
1973–74	35,326,000	287,000	—	—	599,000
1972–73	31,065,000	288,000	—	—	585,000
1971–72	27,770,000	555,000	—	—	577,000
1970–71	24,880,000	35,980,000	—	—	1,333,000
1969–70	1,570,000	—	—	—	298,000

TABLE 23—GASOLINE AND JET FUEL TAX STATISTICS, 1923–25 TO 1981–82

	Gasoline				Jet fuel tax	
Fiscal year	Taxable distributions (in thousands of gallons)	Revenue[a] (in thousands)	Refunds (in thousands)	Tax-paying distributors on June 30[b]	Taxable distributions (in thousands of gallons)	Revenue[a] (in thousands)
1	2	3	4	5	6	7
1981–82	11,015,230	$770,628[k]	$27,572	131	40,435	$860
1980–81	11,185,862	787,106[r]	25,987	102	43,713	891
1979–80	11,316,801	800,012	24,451[r]	94	50,225	988
1978–79	11,916,829	835,947	21,716	77	46,422	915[r]
1977–78	11,571,520	810,020	18,866	76	34,469	692
1976–77	10,995,557	769,978	15,773	84	27,445	551
1975–76	10,530,404	737,100	14,802	77	23,583	474
1974–75	10,141,120	709,899	13,347	72	20,494	411
1973–74	10,019,253	701,400	15,271	49	19,324	390
1972–73	10,223,805	715,683	15,244	49	17,941	360
1971–72	9,748,850	682,482	13,393	48	14,463	292
1970–71	9,232,664	646,312	13,401	58	12,043	245
1969–70	8,939,785	641,268[c]	13,437	52	8,057[d]	163[d]
1968–69	8,494,055	601,783[c]	14,596	53	—	—
1967–68	8,057,505	564,038	14,012	63	—	—
1966–67	7,649,738	535,488	15,560	59	—	—
1965–66	7,385,411	529,819[c]	17,234	63	—	—
1964–65	7,041,337	510,954[e]	15,981	61	—	—
1963–64	6,732,890	454,126[f]	14,680	63	—	
1962–63	6,331,380	379,883	14,846	71	—	—
1961–62	5,995,532	359,739	15,361	81	—	—
1960–61	5,794,324	347,668	17,268	80	—	—
1959–60	5,626,387[g]	337,588[g]	20,814	89	—	—
1958–59	5,404,848	324,295	21,410	88	—	—
1957–58	5,117,693	307,038	20,531	94	—	—
1956–57	4,932,752	295,982	20,786	100	—	—
1955–56	4,734,064	284,152	21,516	100	—	—
1954–55	4,424,151	265,576	26,192	102	—	—
1953–54	4,255,309	255,305[h]	26,088	88	—	—
1952–53	4,156,557	187,047	19,175	90	—	—
1951–52	3,878,273	174,527	19,595	100	—	—
1950–51	3,589,902	161,551	15,339	112	—	—
1945–50	14,909,722	592,832[i]	—	107		
1940–45	9,167,652	275,029	—	122	—	—
1930–40	8,594,082	258,845	—	142	—	—
1930–35	6,790,740	201,685	—	88	—	—
1925–30	5,351,593	139,925[j]	—	82	—	—
1923–25	1,259,474	24,938	—	74	—	—

[a] Includes self-assessed taxes, tax deficiencies, interest and penalties. Refunds for nonhighway use (column 4) have not been deducted.

[b] In addition, on June 30, 1982 there were 73 fully-licensed distributors who incurred no tax liabilities during the year.

[c] A special one-cent levy was in effect from June 1, 1969 through August 31, 1969 to raise funds to repair and restore storm- and flood-damaged roads. This levy raised $7.2 million from distributions during the 1968–69 fiscal year and $15.5 million during the 1969–70 fiscal year. No storage tax was imposed.

[d] The aircraft jet fuel tax levied at the rate of two cents per gallon on jet aircraft fuel used in general aviation became operative December 1, 1969 under the Motor Vehicle Fuel License Tax Law.

[e] A special one-cent levy was in effect from April 1, 1965 through August 31, 1965 to raise funds to repair and restore storm- and flood-damaged roads in the northwestern part of the state. This levy raised $18.2 million from distributions during the 1964–65 fiscal year (excluding the storage tax of $1,108,000 including interest and penalties) and $12.8 million during the 1965–66 fiscal year (excluding the storage tax refund of $1,131,000).

[f] Effective October 1, 1963, the tax rate was increased from 6 cents to 7 cents per gallon. Receipts from the one cent per gallon storage tax imposed at the time of the rate increase are not included; these amounted to $1,125,267, including interest and penalties.

[g] Effective October 1, 1959, liquefied petroleum gases were excluded from the definition of a "motor vehicle fuel." Since that date, vendors and users of this fuel have been required to report under the Use Fuel Tax Law. (See Table 25.)

[h] Effective July 1, 1953, the tax rate was increased from 4½ cents to 6 cents per gallon. Receipts from the 1½ cent storage tax imposed at the time of the rate increase are not included; these amounted to $1,071,000 including interest and penalties.

[i] Effective July 1, 1947, the tax rate was increased from 3 cents to 4½ cents per gallon. Receipts from the 1½ cent storage tax imposed at the time of the increase are not included; these amounted to $680,000, including interest and penalties.

[j] Effective July 29, 1927, the tax rate was increased from 2 cents to 3 cents per gallon.

[k] A revision in the Revenue and Taxation Code effective January 1, 1982, allows a taxpayer to offset tax-paid exports against incurred tax liability instead of filing a claim for refund on such exports. During the six months that this change was in effect it reduced gross fiscal year revenue by approximately three-tenths of one percent. Net revenue, over time, should not be affected by this revision.

[r] Revised.

TABLE 24—TAXABLE DISTRIBUTIONS OF GASOLINE AND TAX ASSESSMENTS, BY DISTRIBUTOR, 1980–81 AND 1981–82

Name of company[a]	Gallons (in thousands)		Tax[b] (in thousands)	
	1980–81	1981–82	1980–81	1981–82
1	2	3	4	5
Allied Petroleum Co., Inc.	2,368	2,355	$166	$165
Aminoil USA, Inc.	79,535	78,854	5,567	5,520
Amorient Petroleum Co., California	8,586	74,482	601	5,214
Anchor Refining Co.	1,476	2,187	103	153
Archer Daniels Midland	76	1,233	5	86
Armour Oil Co.	d	1,220	d	85
Atlantic Richfield Co.	1,213,374	1,271,897	84,936	89,033
Beacon Oil Co.	236,812	252,466	16,577	17,673
Beneto, Inc.	d	539	d	38
Broetta, Inc.	d	762	d	53
California Target Supply	d	3,056	d	214
Champlin Petroleum Co.	4,675	5,206	327	364
Chevron U.S.A., Inc.	2,011,227	1,772,050	140,786	124,044
Clough Oil Co.	650	646	46	45
Coastal Petroleum Refiners, Inc.	d	3,313	d	232
Douglas Oil Co.	216,115	186,121	15,128	13,029
Edgington Oil Co., Inc.	52,823	111,640	3,698	7,815
Energy Trading (formerly United Energy of CA)	405	2,520	28	176
Eureka Fuel Co.	1,239	807	87	56
Exxon Corporation	665,080	571,688	46,556	40,018
Fletcher Oil & Refining Co.	104,657	117,458	7,326	8,222
Getty Refining & Marketing Co.	161,342	178,853	11,294	12,520
Golden Eagle Refining Co., Inc.	13,920	10,020	974	701
Golden Gate Petroleum	1,011	10,203	71	714
Gulf Oil Corporation	361,870	426,965	25,331	29,888
Herbst Supply Co., Inc.	680	875	48	61
Jaco Oil Co.	d	605	d	42
Kern Oil & Refining Co. (formerly Kern County Refinery)	52,605	61,763	3,682	4,323
Koch Fuel, Inc.	d	8,911	d	624
Landsea Terminals, Inc. (formerly UCO Terminals)	170,085	160,088	11,906	11,206
Lee Chambers Petroleum, Inc.	579	424	41	30
Lockheed Air Terminal, Inc.	1,306	1,068	91	75
MacMillan Ring Free Oil Co., Inc.	27,290	19,945	1,910	1,396
Marlex Oil & Refining	18,140	14,242	1,270	997
Martinoil Co.	529	425	37	30
Mobil Oil Corporation	866,667	912,325	60,667	63,863
Newhall Refining, Inc.	39,649	35,172	2,775	2,462
Norris Supply Co., Inc.	984	1,187	69	83
Oasis Petroleum Corp.	d	10,931	d	765
Orkin Real Estate, Inc.	d	464	d	32
Pacific Refining Co.	110,478	90,824	7,733	6,358
Phillips Petroleum Co.	4,280	2,984	300	209
Powerine Oil Co.	175,712	199,683	12,300	13,978
Redwood Oil Co., Inc.	d	389	d	27
R & M Petroleum Co.	587	698	41	49
Robert Nassanney	d	435	d	30
Sabre Refining Inc.	11,710	8,538	820	598
Self Enterprises	50	1,068	3	75
Shell Oil Co.	1,508,887	1,411,368	105,622	98,796
Snobird, Inc.	463	480	32	34
Texaco, Inc.	715,705	579,420	50,099	40,559
Texmo Oil Co.	140	472	10	33
Time Oil Co.	43,923	21,791	3,075	1,525
Tosco Corporation	713,147	689,049	49,920	48,233
Union Oil Co. of CA	1,252,538	1,316,344	87,678	92,144
United Energy of Arizona	d	2,546	d	178
USA Petrochem Corp.	114,980	156,904	8,049	10,983
Western Mountain Oil, Inc.	660	1,048	46	73
Western Oil Mart	36	537	2	38
Wickland Oil Terminals	4,530	57,959	317	4,057
World Oil Co.	103,901	104,212	7,273	7,295
70 Other distributors each paying less than $25,000 in 1981–82	107,190	5,986	7,504	420
Adjustments	1,190	47,529	4,179	2,889
Totals	11,185,862	11,015,230	$787,106	$770,628

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[a] "Distributors" are companies or individuals who make the first distribution of gasoline in California, and they are responsible for payment of the tax. (Aircraft manufacturers and certificated or licensed carriers by air may be included within the definition of distributor.) "Broker" includes every person, other than a distributor or a retailer, who deals in lots of 200 or more gallons of gasoline.

[b] Refunds for non-highway use totaling $27,572,000 in 1981–82 and $25,967,000 in 1980–81 have not been deducted.

[c] Adjustments include temperature-corrected gallonage from broker returns, late returns, audits, interest and penalties.

[d] Paid less than $15,000 in 1980–81. Gallons and tax for 1980–81 for these companies are included with the 1980–81 figures for those distributors paying less than $25,000 in 1981–82.

TABLE 25—DIESEL FUEL AND LIQUEFIED PETROLEUM GASES STATISTICS, 1937–40 TO 1981–82

Fiscal year	Taxable distributions (in thousands of gallons)	Total tax[a] (in thousands)	Self-assessed taxes (in thousands)		Active permits on December 31		Tax paid at reduced rate by transit districts (in thousands)[k]
	Diesel		Diesel	LPG[l]	Users	Vendors	
1	2	3	4	5	6	7	8
1981–82	1,177,624	$81,773	$78,266	$3,036	54,615	2,738	$703
1980–81	1,179,810	81,769	78,635	2,749	50,870	2,461	659
1979–80	1,164,375	80,144	77,557	2,180	46,324	2,132	637
1978–79	1,104,046	75,530	73,545	1,611	42,971 [r]	1,916	624
1977–78	987,855	67,764	65,715	1,658	44,739	1,813	553
1976–77	915,481	63,121	60,921	1,699	43,718	1,724	527
1975–76	827,487	56,857	55,263	1,448	42,988	1,714	507
1974–75	753,064	50,741	50,314	205	39,711	1,670	395
1973–74	770,854	52,164	51,667	289	36,493	1,627	382
1972–73	735,380	49,841	49,351	290	32,011	1,551	354
1971–72	674,292	45,981	45,155	599	28,967	1,507	330
1970–71	615,887	42,151	41,028	814	25,878	1,455	338
1969–70	579,903	40,496	39,511 [b]	755	23,851	1,387	320
1968–69	543,083	37,612	36,597 [b]	774	22,430	1,376	312 [c]
1967–68	477,249	34,375	33,407	814	20,843	1,360	–
1966–67	435,900	31,480	30,513	829	19,507	1,315	–
1965–66	419,286	31,214	30,054 [d]	1,028 [d,e]	18,038	1,256	–
1964–65	387,014	29,465	28,098 [d]	1,211 [d]	17,391	1,216	–
1963–64	358,995	26,532	25,129	1,274 [f]	16,238	1,217	–
1962–63	328,716	24,323	23,010	1,187	15,385	1,203	–
1961–62	306,689	22,871	21,468	1,291	14,670	1,195	–
1960–61	286,429	21,619	20,050	1,446	13,488	1,206	–
1959–60	280,157	20,537	19,609	1,094 [g]	12,451	1,109	–
1958–59	267,247	18,812	18,694	–	10,192	801	–
1957–58	246,711	17,454	17,270	–	9,807	773	–
1956–57	237,481	16,826	16,624	–	9,530	862	–
1955–56	226,448	16,018	15,850	–	8,877	825	
1954–55	202,406	14,323	14,172	–	8,182	853	–
1953–54	183,043	12,873	12,738 [h]	–	7,441	751 [i]	–
1952–53	174,026	7,946	7,831	–	6,197	–	–
1951–52	150,683	6,885	6,780	–	5,166	–	–
1950–51	131,562	6,023	5,920	–	4,244	–	–
1945–50	406,708	16,527	16,238 [j]	–	2,610	–	–
1940–45	205,397	6,235	6,162	–	1,051	–	–
1937–40	38,625	1,178	1,159	–	n.a.	–	–

[a] Includes interest and penalties which amounted to $443,213 during the 1981–82 fiscal year. This revenue is on an accrual basis and therefore differs from the number in Table 2 which is on a cash basis.

[b] A special one-cent levy was in effect from June 1, 1969 through August 31, 1969 to raise funds to repair and restore storm- and flood-damaged roads. This levy raised $450,000 from distributions during the 1968–69 fiscal year and $837,000 during the 1969–70 year.

[c] Effective July 1, 1968, the tax rate on most fuel consumed by municipal transit districts was reduced to one cent per gallon.

[d] A special one-cent levy was in effect from April 1, 1965 through August 31, 1965 to raise funds to repair and restore storm- and flood-damaged roads. This levy raised a total of $1,786,000.

[e] Effective January 1, 1966, the tax rate on liquefied petroleum gases was decreased from 7 cents to 6 cents per gallon.

[f] Effective October 1, 1963, the tax rate on liquefied petroleum gases was increased from 6 cents to 7 cents per gallon.

[g] Effective October 1, 1959, users and vendors of liquefied petroleum gases were required to report under the Use Fuel Tax Law. Prior to this date, they reported under the Motor Vehicle Fuel License Tax Law.

[h] Effective July 1, 1953, the tax rate on diesel fuel was increased from 4½ cents to 7 cents per gallon.

[i] Effective September 9, 1953, vendors of use fuel were authorized to collect the use fuel tax.

[j] Effective July 1, 1947, the tax rate on diesel fuel was increased from 3 cents to 4½ cents per gallon.

[k] These amounts are also included in columns 3 and 4.

[l] Beginning in December 1975, LPG users were allowed to pay tax on a flat rate basis. This precludes computing LPG gallonage. Flat rate payments totaled $1,378,000 during 1981–82, 45.4 percent of LPG taxes.

n.a. Not available.

TABLE 26—TRANSPORTATION GROSS RECEIPTS TAX STATISTICS

This tax was repealed effective July 1, 1973. For historical data see the Board's 1975–76 Annual Report.

TABLE 27—BEER, WINE, AND DISTILLED SPIRITS EXCISE TAX COLLECTIONS, 1932–35 TO 1981–82 [a]

(In thousands of dollars)

Fiscal year	Beer	Wine			Distilled spirits	Total
		Still wines				
		14 percent alcohol or less	Over 14 percent alcohol	Champagne and sparkling wines		
1	2	3	4	5	6	7
1981–82	$24,674	$928	$167	$2,470	$112,146	$140,385 [b]
1980–81	24,707	899	167	2,293	114,999	143,065
1979–80	23,300	836	175	1,973	113,311	139,596
1978–79	22,367	815	190	1,853	113,329	138,554
1977–78	20,951	755	210	1,643	111,194	134,753
1976–77	19,945	690	212	1,394	105,468	127,708
1975–76	18,616	660	229	1,339	105,411	126,255
1974–75	18,057	605	231	1,219	101,447	121,559
1973–74	16,830	578	232	1,291	100,417	119,348
1972–73	15,782	559	264	1,326	96,755	114,686
1971–72	15,261	486	275	1,301	94,809	112,132
1970–71	13,847	444	262	1,273	90,780	106,606
1969–70	14,451	386	272	1,024	89,832	105,965
1968–69	12,743	316	286	785	85,546	99,676
1967–68	11,954	281	291	716	78,810 [c]	92,052
1966–67	12,508	247	306	632	59,607	73,300
1965–66	11,629	235	320	537	57,438	70,159
1964–65	11,764	218	323	489	54,152	66,946
1963–64	10,148	203	337	405	50,703	61,796
1962–63	9,981	187	333	332	47,989	58,822
1961–62	9,442	169	345	313	45,283	55,552
1960–61	9,093	159	352	274	42,148	52,026
1959–60	9,316 [d]	138	346	269	40,406	50,475
1958–59	4,392	115	353	206	37,329	42,395
1957–58	4,046	109	351	189	34,230	38,925
1956–57	3,847	105	331	181	34,784	39,248
1955–56	3,803	104	326	151 [e]	31,518 [f]	35,902
1954–55	3,656	94	317	117	16,710	20,894
1953–54	3,477	90	330	102	15,715	19,714
1952–53	3,621	80	317	96	15,657	19,771
1951–52	3,315	74	279	81	14,436	18,185
1950–51	3,363	73	273	97	16,018	19,824
1945–50	16,105	289	1,360	392	72,011	90,157
1940–45	11,516	351	1,217	268	62,806	76,158
1935–40	7,823	220 [g]	1,606 [h]	91	40,276	50,016
1932–35	2,397	—	479 [i]	—	—	2,876

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[a] Collections are on an accrual basis and therefore differ from those in Table 2 which are on a cash basis.

[b] Additional detail for 1981–82 are as follows:

	Beer and wine	Distilled spirits
Collections based on audits	$111,786	$759,196
Transactions omitted from table:		
Refunds	94,600	43,330
Interest and penalties	30,125	84,997

[c] Effective August 16, 1967, the tax rate was increased from $1.50 to $2.00 per gallon. Receipts from the 50-cent floor tax are not included; these amounted to $3,009,778.

[d] Effective July 1, 1959, the tax rate was increased from 2 cents to 4 cents per gallon. Receipts from the 2-cent floor tax are not included; these amounted to $369,170.

[e] Effective July 1, 1955, the tax on champagne and sparkling wines was changed from 1.5 cents per half-pint or fraction thereof to 30 cents per gallon. This revision eliminated inequities in the tax and provided a uniform tax rate; it was not considered to be a tax rate increase.

[f] Effective July 1, 1955, the tax rate was increased from 80 cents to $1.50 per gallon. Receipts from the 70-cent floor tax imposed at the time of the rate increase are not included; these amounted to $3,120,882.

[g] The tax on natural dry wines was reduced from 2 cents to 1 cent per gallon effective July 1, 1937.

[h] Still wines over 14 percent alcohol include still wines of 14 percent alcohol or less through 1936–37 because their tax rates were the same and they were not reported separately.

[i] Includes all types of wines. The tax rate was two cents per gallon on all wine and the different types were not reported separately.

TABLE 28—APPARENT CONSUMPTION[a] OF BEER, WINES AND DISTILLED SPIRITS BY FISCAL YEAR, 1935–40 TO 1981–82

(In thousands of gallons)

Fiscal year	Beer[b]	Wine				Distilled spirits
		Still wines				
		14 percent alcohol or less	Over 14 percent alcohol	Champagne and sparkling wines	Total wine consumption	
1	2	3	4	5	6	7
1981–82	610,873	92,815	8,374	8,602	109,791	56,073
1980–81	610,689	89,931	8,339	7,642	105,912	57,500
1979–80	581,381	83,621	8,745	6,617	98,983	56,656
1978–79	564,280	81,495	9,507	6,175	97,177	56,665
1977–78	528,724	75,538	10,489	5,475	91,502	55,597
1976–77	506,034	68,985	10,599	4,647	84,231	52,734
1975–76	471,996	65,988	11,458	4,463	81,909	52,705
1974–75	460,592	60,543	11,551	4,063	76,157	50,724
1973–74	431,001	57,761	11,591	4,304	73,656	50,208
1972–73	404,900	55,949	13,207	4,419	73,575	48,377
1971–72	395,645	48,555	13,768	4,337	66,660	47,405
1970–71	356,738	44,392	13,119	4,244	61,755	45,390
1969–70	373,129	38,568	13,584	3,412	55,564	44,916
1968–69	328,976	31,650	14,317	2,616	48,583	42,773
1967–68	308,936	28,103	14,543	2,386	45,032	40,629
1966–67	321,765	24,713	15,320	2,107	42,140	39,738
1965–66	298,711	23,509	15,990	1,791	41,290	38,292
1964–65	300,835	21,790	16,131	1,629	39,550	36,102
1963–64	261,145	20,312	16,848	1,350	38,510	33,802
1962–63	256,151	18,668	16,661	1,106	36,435	31,993
1961–62	242,761	16,851	17,239	1,044	35,134	30,189
1960–61	232,962	15,861	17,602	913	34,376	28,098
1959–60	238,120	13,761	17,299	898	31,958	26,937
1958–59	224,657	11,547	17,631	688	29,866	24,886
1957–58	207,021	10,901	17,555	630	29,086	22,820
1956–57	196,151	10,460	16,570	605	27,635	23,189
1955–56	192,973	10,447	16,324	502	27,273	21,012
1954–55	185,388	9,394	15,826	390	25,610	20,887
1953–54	177,629	8,987	16,507	396	25,890	19,644
1952–53	184,657	8,041	15,833	401	24,275	19,572
1951–52	168,847	7,431	13,969	336	21,736	18,045
1950–51	167,439	7,271	13,674	405	21,350	20,022
1945–50	801,657	29,022	67,996	1,625	98,643	90,014
1940–45	573,369	35,000	61,130	1,009	97,139	78,507
1935–40	387,414	37,121	65,264	683	103,068	50,345

[a] Figures in this table represent taxable distributions compiled from monthly tax returns. Because the tax liability attaches at the time alcoholic beverages are sold by manufacturers, importers, or wholesalers, rather than at the time a retail sale is made or when the consumption occurs, they are referred to as "apparent" consumption figures rather than as "actual" consumption figures.

[b] Includes a relatively small amount of tax-exempt beer distributed to the armed forces subsequent to June 30, 1951. Prior to July 1951, such distributions were taxable. Effective January 1, 1980, distributions of beer for the armed forces became subject to the state's excise tax when purchased from California suppliers.

TABLE 29—PER CAPITA CONSUMPTION [a] OF BEER, WINES, AND DISTILLED SPIRITS BY FISCAL YEAR, 1935–36 TO 1981–82

(Consumption in gallons)

Fiscal year	Population [b]	Per capita consumption		
		Beer [c]	Wines	Distilled spirits
1	2	3	4	5
1981–82	24,423,100	25.01	4.50	2.30
1980–81	23,992,900 [r]	25.45 [r]	4.41	2.40 [r]
1979–80	23,534,000	24.70	4.21	2.41
1978–79	23,072,000	24.46	4.21	2.46
1977–78	22,610,000	23.38	4.05	2.46
1976–77	22,164,000	22.83	3.80	2.38
1975–76	21,756,000	21.70	3.76	2.42
1974–75	21,374,000	21.55	3.56	2.37
1973–74	21,036,000	20.49	3.50	2.39
1972–73	20,737,000	19.53	3.55	2.33
1971–72	20,470,000	19.33	3.26	2.32
1970–71	20,193,000	17.67	3.06	2.25
1969–70	19,922,000	18.73	2.79	2.25
1968–69	19,664,000	16.73	2.47	2.18
1967–68	19,372,000	15.95	2.32	2.10
1966–67	19,041,000	16.90	2.21	2.09
1965–66	18,670,000	16.00	2.21	2.05
1964–65	18,255,000	16.48	2.17	1.98
1963–64	17,768,000	14.70	2.17	1.90
1962–63	17,211,000	14.88	2.12	1.86
1961–62	16,636,000	14.59	2.11	1.81
1960–61	16,114,000	14.46	2.13	1.74
1955–56	13,292,000	14.52	2.05	1.58
1950–51	10,886,000	15.38	1.96	1.84
1945–46	9,452,000	16.86	2.13	2.37
1940–41	7,094,000	10.71	2.51	1.60
1935–36	6,258,000	11.63	3.39	1.46

[a] Based on taxable distributions compiled from monthly tax returns.

[b] Population used is for January 1 of each fiscal year.

[c] Includes tax-exempt beer sold to the armed forces; see Table 28 footnote [b].

[r] Revised

TABLE 30A—CIGARETTE TAX REVENUE, 1959–60 TO 1981–82

(In thousands of dollars)

Fiscal year 1	Revenue [a] 2	Distributors' discounts [b] 3	Gross value of tax indicia [c] 4	Refunds 5	Amount set aside for cities and counties 6
1981–82	$276,262	$2,362	$278,624	$1,843	$83,047
1980–81	274,885	2,349 [r]	277,234 [r]	1,567	82,465
1979–80	272,053	2,327	274,380	1,645	81,616
1978–79	268,810	2,303	271,805	1,369	80,645
1977–78	274,102	2,348	276,005	1,239	82,231
1976–77	269,385	2,309	272,015	832	80,815
1975–76	268,610	2,303	270,913	927	80,583
1974–75	261,975	2,246	264,346	745	78,593
1973–74	258,921	2,220	262,688	632	77,676
1972–73	253,602	2,174	255,774	626	76,081
1971–72	246,351	2,112	248,181	677	73,904
1970–71	239,195	2,051	241,870	552	71,764
1969–70	235,901	2,022	238,835	455	70,762
1968–69	237,159	2,032	239,376	492	71,140
1967–68	205,985 [d,e]	1,786	209,654	356	52,059 [d]
1966–67	75,597	1,543	77,130	136	–
1965–66	74,578	1,522	76,334	92	–
1964–65	74,477	1,520	75,948	56	–
1963–64	71,822	1,468	73,391	77	–
1962–63	70,194	1,437	71,836	79	–
1961–62	66,054	1,391	69,557	58	–
1960–61	66,024 [g]	1,675 [f]	67,372	76	–
1959–60	64,805 [h]	767 [i]	64,805	27	–

[a] Net of refunds for tax indicia on cigarettes that become unfit for use. (See column 5.)

[b] A discount of .85 percent of gross value of tax indicia is granted to distributors for affixing the stamps. From July 1, 1960 until August 1, 1967 the discount rate was 2%.

[c] Effective July 16, 1961, distributors have been able to purchase tax indicia on credit. On June 30, 1982, this amounted to $21,828,911 and on June 30, 1981, it amounted to $21,266,644.

[d] Effective August 1, 1967, the tax rate was increased from 3¢ to 7¢ per pack. On October 1, 1967 the rate was further increased to 10¢ per pack, with the stipulation that 30% of the tax be allocated to cities and counties.

[e] Includes $6,515,209 from the 4¢ per pack floor stocks tax levied on August 1, 1967; and $4,889,485 from the 3¢ per pack floor stocks tax imposed October 1, 1967.

[f] Effective July 1, 1960, a discount was allowed at the time tax indicia were purchased.

[g] Refunds made for distributors' discounts in the 1960–61 fiscal year on purchases made in the 1959–60 fiscal year have been deducted. These refunds amounted to $324,000.

[h] Includes $2,673,048 from the 3¢ per pack floor stocks tax imposed July 1, 1959 and also includes the amount of distributors' discounts which were refunded after purchase of indicia.

[i] During July and August of 1959 the tax was collected by invoice and no discount was allowed on these collections of $8,123,700, nor on the $2,673,048 tax on floor stocks.

[r] Revised

TABLE 30B—CIGARETTE DISTRIBUTIONS AND PER CAPITA CONSUMPTION, 1959–60 TO 1981–82

Fiscal year	Distributions (millions of packages)			Per capita consumption (in packages) [a]
	Total	Tax paid	Tax exempt	
1	2	3	4	5
1981–82	2,922	2,786	136	119.7
1980–81	2,913 [r]	2,772 [r]	141 [r]	121.4 [r]
1979–80	2,892 [r]	2,744 [r]	148	122.9 [r]
1978–79	2,875	2,718	157	124.6
1977–78	2,926	2,760	166	129.4
1976–77	2,892	2,720	172	130.5
1975–76	2,896	2,709	187	133.1
1974–75	2,836	2,643	193	132.7
1973–74	2,834	2,627	207	134.7
1972–73	2,755	2,546	209	132.9
1971–72	2,714	2,499	215	132.6
1970–71	2,630	2,419	211	130.2
1969–70	2,588	2,387	201	129.9
1968–69	2,600	2,393	207	132.2
1967–68	2,688	2,475	213	138.8
1966–67	2,735	2,571	164	143.6
1965–66	2,703	2,544	159	144.8
1964–65	2,677	2,532	145	146.6
1963–64	2,577	2,446	131	145.0
1962–63	2,534	2,398	136	147.2
1961–62	2,449	2,319	130	147.2
1960–61	2,370	2,246	124	147.1
1959–60	2,176	2,071	105	139.7

[a] Based on latest estimate of January 1 population for each fiscal year.

[r] Revised.

TABLE 31—1981 TAXABLE INSURANCE PREMIUMS AND TOTAL TAXES ASSESSED IN 1982, BY COMPANY

Name of company 1	Taxable premiums (in thousands) 2	Total tax assessed 3
FIRE AND CASUALTY INSURERS		
Aetna Casualty and Surety Company (The)	$236,585	$5,559,741
Aetna Insurance Company	51,846	1,218,378
Allianz Insurance Company	43,071	1,012,176
Allstate Insurance Company	701,047	16,474,605
All West Insurance Company	47,230	1,109,908
American Motorists Insurance Company	75,038	1,763,395
American National Fire Insurance Company	65,991	1,550,778
Argonaut Insurance Company	78,076	1,834,786
Associated Indemnity Corporation	178,450	4,193,577
Cal-Farm Insurance Company	75,985	1,785,643
California Casualty Indemnity Exchange (The)	62,215	1,462,057
California Casualty Insurance Company	41,030	964,216
California State Automobile Association Inter-Insurance Bureau	388,149	9,121,506
Canadian Indemnity Company (The)	38,445	903,456
Central National Insurance Company of Omaha (The)	52,756	1,239,767
Commercial Union Insurance Company	47,417	1,114,299
Continental Casualty Company	50,240	1,180,647
Continental Insurance Company (The)	174,293	4,095,882
Doctors' Company, an Inter-Insurance Exchange (The)	40,966	962,704
Employers Insurance of Wausau, A Mutual Company	98,756	2,320,778
Enterprise Insurance Company	42,771	1,005,113
Farmers Insurance Exchange	505,884	11,888,273
Federal Insurance Company	93,641	2,200,564
Fire Insurance Exchange	189,555	4,454,545
Fireman's Fund Insurance Company	243,652	5,725,820
Fremont Indemnity Company	190,531	4,477,467
Government Employees Insurance Company	53,350	1,253,733
Hartford Accident and Indemnity Company	171,794	4,037,150
Hartford Fire Insurance Company	57,870	1,359,935
Home Indemnity Company (The)	44,654	1,049,370
Home Insurance Company (The)	42,605	1,001,210
Industrial Indemnity Company	252,868	5,942,400
Insurance Company of North America	234,347	5,507,167
Insurance Company of the West	42,270	993,352
Inter-Insurance Exchange of the Automobile Club of Southern California	540,126	12,692,965
Liberty Mutual Fire Insurance Company	141,375	3,322,306
Liberty Mutual Insurance Company	42,296	993,953
Lumbermens Mutual Casualty Company	45,310	1,064,791
Mercury Casualty Company	59,045	1,387,565
Mid-Century Insurance Company	160,988	3,783,214
Mission Insurance Company	207,841	4,884,279
National American Insurance Company of California	37,274	875,927
National Union Fire Insurance Company of Pittsburgh, Pennsylvania	140,304	3,297,152
Norcal Mutual Insurance Company	38,073	894,715
Northwestern National Insurance Company of Milwaukee, Wisconsin	35,143	825,857
Ohio Casualty Insurance Company (The)	48,628	1,266,937
Pacific Employers Insurance Company	151,868	3,568,888
Pacific Indemnity Company	51,011	1,198,771
Prudential Property and Casualty Insurance Company	41,996	986,911
Republic Indemnity Company of America	50,545	1,187,817
Royal Indemnity Company	49,985	1,174,652
Royal Insurance Company of America	83,666	2,049,822
SAFECO Insurance Company of America	155,615	3,656,950
St. Paul Fire and Marine Insurance Company	74,444	1,749,427
Southern California Physicians Insurance Exchange	49,379	1,160,413
State Compensation Insurance Fund	310,342	7,293,049
State Farm Fire and Casualty Company	409,902	9,640,681
State Farm Mutual Automobile Insurance Company	756,953	17,788,406
Transamerica Insurance Company	78,358	1,841,418
Transamerica Premier Insurance Company	35,206	827,341
Travelers Indemnity (The)	164,449	3,864,557
Truck Insurance Exchange	173,702	4,082,005
20th Century Insurance Company	94,831	2,228,537
Unigard Mutual Insurance Company	62,755	1,474,751
United Pacific Insurance Company	86,596	2,035,010
United Services Automobile Association	116,721	2,742,946
United States Fidelity and Guaranty Company	72,530	1,704,476
West American Insurance Company	109,650	2,576,767
Western Employers Insurance Company	60,696	1,432,692
Zenith Insurance Company	77,631	1,824,334
Zurich Insurance Company	43,011	1,010,769
467 other fire and casualty insurers *	2,977,102	71,330,050
Totals for fire and casualty insurers	$12,548,725	$296,485,490

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* Each having a total tax of less than $800,000.

TABLE 31—1981 TAXABLE INSURANCE PREMIUMS AND TOTAL TAXES ASSESSED IN 1982, BY COMPANY—Concluded

Name of company 1	Taxable premiums (in thousands) 2	Total tax assessed 3
LIFE INSURERS		
Aetna Life Insurance Company	$388,337	$9,021,685
Allstate Life Insurance Company	57,071	1,314,469
American National Insurance Company	55,350	1,422,060
Bankers Life Company	81,852	1,653,774
Cal-Farm Life Insurance Company	46,370	1,073,542
California Life Insurance Company	22,197	521,626
California-Western States Life Insurance Company	144,069	3,358,073
Certified Life Insurance Company	40,040	932,746
Combined Insurance Company of America	25,262	593,666
Confederation Life Insurance Company	26,780	619,000
Connecticut General Life Insurance Company	231,653	5,286,405
Connecticut Mutual Life Insurance Company (The)	47,880	983,222
Continental Assurance Company	46,494	1,039,021
Crown Life Insurance Company	80,669	1,896,763
Equitable Life Assurance Society of the United States (The)	298,848	6,013,810
Farmers New World Life Insurance Company	42,550	976,514
Fireman's Fund American Life Insurance Company	31,803	746,944
First Colony Life Insurance Company	32,294	751,043
First Farwest Life Insurance Company	26,898	632,096
General American Life Insurance Company	44,407	994,599
Great-West Life Assurance Company (The)	95,976	2,002,655
Guardian Life Insurance Company of America (The)	32,473	728,298
Home Life Insurance Company	26,446	534,304
John Hancock Mutual Life Insurance Company	154,426	3,222,359
Life Insurance Company of North America	72,366	1,683,091
Lincoln National Life Insurance Company (The)	96,751	2,168,062
Manufacturers Life Insurance Company (The)	63,234	1,504,033
Massachusetts Indemnity and Life Insurance Company	26,274	616,890
Massachusetts Mutual Life Insurance Company	112,115	2,660,415
Metropolitan Life Insurance Company	401,967	8,962,796
Mutual Benefit Life Insurance Company (The)	75,745	1,673,634
Mutual Life Insurance Company of New York (The)	73,953	1,687,716
Mutual of Omaha Insurance Company	57,679	1,355,455
National Home Life Assurance Company	27,611	648,256
National Life and Accident Insurance Company (The)	32,458	755,546
New England Mutual Life Insurance Company	61,728	1,293,478
New York Life Insurance Company	348,073	6,718,521
Northwestern Mutual Life Insurance Company (The)	72,530	1,643,066
Northwestern National Life Insurance Company	21,977	519,235
Pacific Mutual Life Insurance Company	238,987	5,138,798
Penn Mutual Life Insurance Company (The)	39,829	908,671
Phoenix Mutual Life Insurance Company	41,413	923,879
Pilot Life Insurance Company	25,541	639,030
Provident Life and Accident Insurance Company	74,956	1,728,237
Provident Mutual Life Insurance Company of Philadelphia	25,072	555,248
Prudential Insurance Company of America (The)	755,461	14,556,515
Republic National Life Insurance Company	61,462	1,433,667
Security Benefit Life Insurance Company	42,499	951,128
Standard Insurance Company	62,778	1,412,740
State Farm Life Insurance Company	49,353	1,098,234
State Mutual Life Assurance Company of America	32,403	705,532
Transamerica Life Insurance Company	418,741	9,407,662
Travelers Insurance Company (The)	214,737	4,935,491
Union Labor Life Insurance Company (The)	108,192	2,537,468
Union-Mutual Stock Life Insurance Company of America	31,963	749,291
United Insurance Company of America	32,220	757,177
United of Omaha Insurance Company	60,482	1,362,609
USLIFE Life Insurance Company of California	30,407	673,025
Washington National Insurance Company	45,005	1,034,184
449 other life insurers[b]	1,619,297	37,907,449
Totals for life insurers	$7,635,404	$169,524,903[c]
Totals for fire and casualty insurers	12,548,725	296,485,490[c]
Totals for title insurers	276,298	6,513,155[c]
Totals for all insurers	$20,460,427	$472,523,548

[b] Each having a total tax of less than $500,000.

[c] Retaliatory taxes of $1,391,196 for fire and casualty insurers, $1,593,212 for life insurers and $20,175 for title insurers have been included in the assessments by company.

TABLE 32—SUMMARY OF INSURANCE TAXES ASSESSED IN 1981 AND 1982 AGAINST COMPANIES AUTHORIZED TO DO BUSINESS IN CALIFORNIA, BY TYPE OF INSURER [a]

Type of insurer	Assessments on 1980 business		Assessments on 1981 business		Percent change in assessments
	Number	Amount	Number	Amount	
1	2	3	4	5	6
Fire and casualty	669	$282,039,844	702	$296,465,490	5.1%
Life	589	158,479,740	613	169,524,903	7.0
Title	25	6,621,365	23	6,513,155	−1.6
Subtotals	1,283 [b]	447,140,949	1,338 [c]	472,523,548	5.7
Ocean marine	43	145,962	46	225,083	54.2
Totals	1,326	$447,286,911	1,384	$472,748,631	5.7%
Adjustments:					
Deficiency assessments	97 [d]	1,691,753	123 [e]	2,017,023	–
Refunds and cancellations	124	209,965	178	1,835,339	–
Net adjustments	221	1,481,788	301	181,684	–
Grand totals	1,547	$448,768,699	1,685	$472,930,315	5.4%

[a] Includes self-assessments and board-assessments against companies licensed to write insurance on California risks.

[b] Includes 107 returns that reported no premiums tax liability and 155 retaliatory tax assessments totaling $2,606,482.

[c] Includes 119 returns that reported no premiums tax liability and 159 retaliatory tax assessments totaling $3,204,583.

[d] Includes 49 assessments made by the State Controller in the amount of $343,694.

[e] Includes 53 assessments made by the State Controller in the amount of $140,454.

TABLE 33—INSURANCE TAX ASSESSMENTS AGAINST LICENSED INSURERS, TAX RATE, TAXES ON PREMIUMS, LOCAL PROPERTY TAX CREDITS ALLOWED, TAXES ON OCEAN MARINE BUSINESS, AND TOTAL TAXES ASSESSED, 1911–15 TO 1982[a]

Year of assessment	Number of assessments[b]	Gross premiums tax rate (percent)	Taxes Assessed on premiums[c]	Local property tax credits allowed	Taxes assessed on underwriting profits: ocean marine[d]	Total taxes assessed
1	2	3	4	5	6	7
1982	1,106[e]	2.35	$472,705,232	–[k]	$225,083	$472,930,315
1981	1,064	2.35	448,622,737	–[k]	145,962	448,768,699
1980	1,065	2.35	429,479,576	–[k]	100,375	429,579,951
1979	1,038	2.35	396,871,905	–[k]	144,456	397,016,361
1978	1,008	2.35	363,665,780	–[k]	74,843	363,740,623
1977	984	2.35	299,712,880	–[k]	37,018	299,749,898
1976	967	2.35	248,537,130	$17,840,567	23,124	230,719,687
1975	992	2.35	211,975,924	16,731,201	79,999	195,324,722
1974	1,010	2.35	209,787,954	16,160,417	165,802	193,793,339
1973	989	2.35	195,049,519	16,406,592	141,337	178,784,264
1972	977	2.35	174,529,967	13.918,775	88,938	160,700,130
1971	915	2.35	160,307,804	11,673,670	45,488	148,679,622
1970	894	2.35	141,892,452	9,785,420	25,209	132,132,241
1969	830	2.35	130,895,320	7,610,137	13,518	123,298,701
1968	787	2.33	119,132,434	6,314,488	9,791	112,827,737
1967	782	2.33	111,445,400	6,377,277	4,213	105,072,336
1966	791	2.33	105,050,308	6,239,578	10,763	98,821,493
1965	833	2.33	97,782,471	5,601,383	24,785	92,205,873
1964	826	2.35	90,473,809[f]	4,979,745	38,516	85,532,580[f]
1963	815	2.35	82,521,529	4,766,754	44,475	77,799,250
1962	809	2.35	75,504,917	4,291,305	42,206	71,255,818
1961	767	2.35	71,235,283	3,854,507	39,688	67,420,464
1960	736	2.35	65,169,948	3,341,844	20,307	61,848,411
1959	711	2.35	58,377,347	3,153,605	13,601	55,237,343
1958	716	2.35	53,461,244	2,714,160	19,843	50,766,927
1957	728[g]	2.35	48,365,723	2,278,623	54,234	46,141,334
1956	828	2.35	44,476,726	2,026,931	83,296	42,533,091
1955	809	2.35	40,810,154	1,781,071	75,118	39,104,201
1954	803	2.35	40,040,521	1,601,342	61,743	38,500,922
1953	796	2.35	35,634,480	1,393,689	83,909	34,324,700
1952	782	2.35	30,384,576[h]	1,331,108	123,333	29,176,801[h]
1951	781	2.35	26,404,608	1,266,639	144,753	25,282,722
1946–1950	3,790	[i]	101,734,147	4,178,399	454,383	98,010,131
1941–1945	3,400	[i]	58,111,232	5,777,662	139,007	52,472,577
1936–1940	3,405	2.60	44,427,176	8,395,968	59,270	36,090,478
1931–1935	3,128	2.60	34,850,689	3,342,794	87,173	31,595,068
1926–1930	2,834	2.60	33,143,423	3,031,155	–	30,112,268
1921–1925	1,209	2.60	20,170,810	1,460,622	–	18,710,188
1916–1920	1,664	2.00	7,257,013	272,834	–	6,984,179
1911–1915	1,490	[j]	3,893,525	169,848	–	3,723,677

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[a] Excludes assessments against life insurance companies not licensed by the State to write insurance on California risks.

[b] Includes only annual premiums tax assessments showing tax liability and ocean marine assessments.

[c] Includes retaliatory assessments (except for the period from 1945, when the retaliatory tax law was repealed, through 1959 when the law was reestablished), penalties for late filing or nonfiling of returns, and adjustments of prior year taxes.

[d] Includes penalties for late filing or nonfiling of returns. By constitutional amendment adopted in 1930, ocean marine insurance was removed from the scope of the gross premiums tax and subjected to a 5 percent tax on underwriting profits.

[e] Defined in footnote b. In addition there were 159 retaliatory tax assessments and 290 returns that showed no tax liability, of which 119 were for life, casualty, and title insurers, and 171 for ocean marine insurers.

[f] Excludes $22,859,004, which represents the prepayments the companies assessed themselves, computed at the rate of 2.33 percent on the premiums written in the first quarter of 1964.

[g] Beginning in 1957, life insurance companies writing disability insurance were assessed only once. In all prior years such companies were assessed twice; one assessment covered their life insurance and annuity policies, and one covered their disability insurance business. In 1956 there were 93 such companies.

[h] Beginning in 1952, the State Compensation Insurance Fund became subject to assessment by the Board.

[i] The tax rate declined by .05 percent per year from 2.60 percent in 1943 to 2.35 percent in 1948. The decrease was intended to compensate for a gradual restriction of the real estate tax offset privilege. In the 1944 assessment, the maximum offset for taxes on real estate other than the principal office in the state was 75 percent of the company's 1940 offset on such property. The next year it was 55 percent; the next, 35 percent; then 15 percent. From 1948 on, only taxes on principal offices have been eligible for offset.

[j] The gross premiums tax rate was 1.50 percent during 1911 and 1912, 1.75 percent in the following two years, and 2.00 percent in 1915.

[k] This tax credit on the home or principal office in California was eliminated by proposition 6 which was approved by the voters on June 8, 1976; see Chapter 938, Statutes of 1975.

TABLE 34—FEDERAL, STATE, AND LOCAL TAX COLLECTIONS, 1950–51 TO 1981–82
(In thousands of dollars)

Fiscal year 1	Federal taxes [a] 2	State taxes other than disability insurance [b] 3	Local taxes and ad valorem assessments [c] 4	Total 5
1981–82	n.a.	23,081,477	10,489,903 [d]	n.a.
1980–81	67,149,915	21,290,825	9,369,680 [r]	97,810,420
1979–80	58,873,061	20,558,664	8,525,000	87,956,725
1978–79	49,558,113	17,781,295	7,515,000	74,854,408
1977–78	42,772,775	16,266,712	12,791,000	71,830,487
1976–77	37,997,043 [e]	13,873,801	11,442,000	63,312,844
1975–76	28,091,997	11,661,724	10,093,000	49,846,721
1974–75	28,510,065	10,350,879	9,087,000	47,947,944
1973–74	24,959,348	8,503,309	8,141,345	41,604,002
1972–73	21,386,204	7,859,022	8,150,000	37,395,226
1971–72	18,962,545	7,086,506	7,325,000	33,374,051
1970–71	17,629,909	5,979,962	6,545,000	30,154,871
1969–70	18,596,235	5,851,911	5,789,464	30,237,610
1968–69	16,777,444	5,599,729	5,369,543	27,746,716
1967–68	15,455,808	5,090,195	4,787,145	25,333,148
1966–67	13,098,149	3,978,106	4,336,397	21,412,652
1965–66	11,085,100	3,889,945	3,896,042	18,871,087
1964–65	10,443,242	3,562,865	3,537,505	17,543,612
1963–64	10,534,708	3,369,236	3,247,449	17,151,393
1962–63	9,806,770	2,987,506	3,011,527	15,805,803
1961–62	9,091,751	2,673,724	2,769,131	14,534,606
1960–61	8,486,217	2,489,916	2,521,870	13,498,003
1959–60	7,997,711	2,364,532	2,306,318	12,668,561
1958–59	6,923,618	1,947,824	2,073,642	10,945,084
1957–58	6,753,950	1,786,026	1,856,780	10,396,756
1956–57	6,643,780	1,757,400	1,606,115	10,007,295
1955–56	6,008,419	1,654,153	1,400,489	9,063,061
1954–55	5,184,128	1,433,546	1,241,175	7,858,849
1953–54	5,356,963	1,339,870	1,121,205	7,818,038
1952–53	5,287,729	1,263,722	1,030,091	7,581,542
1951–52	4,645,285	1,214,772	933,783	6,793,840
1950–51	3,558,227	1,116,063	869,460	5,543,750

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[a] Includes the railroad employment compensation tax but excludes custom duties which are not classified as internal revenue.

[b] Unemployment insurance tax collections totaling $1,435,271,278 are included in the figure for 1981–82 but the State's unemployment compensation disability tax, on the other hand, which yielded $688,465,136 in the fiscal year, is excluded because it lacks one of the characteristics that most definitions require of a tax: it is not a "compulsory payment" since an approved private plan may be substituted for the state insurance financed by means of this levy.

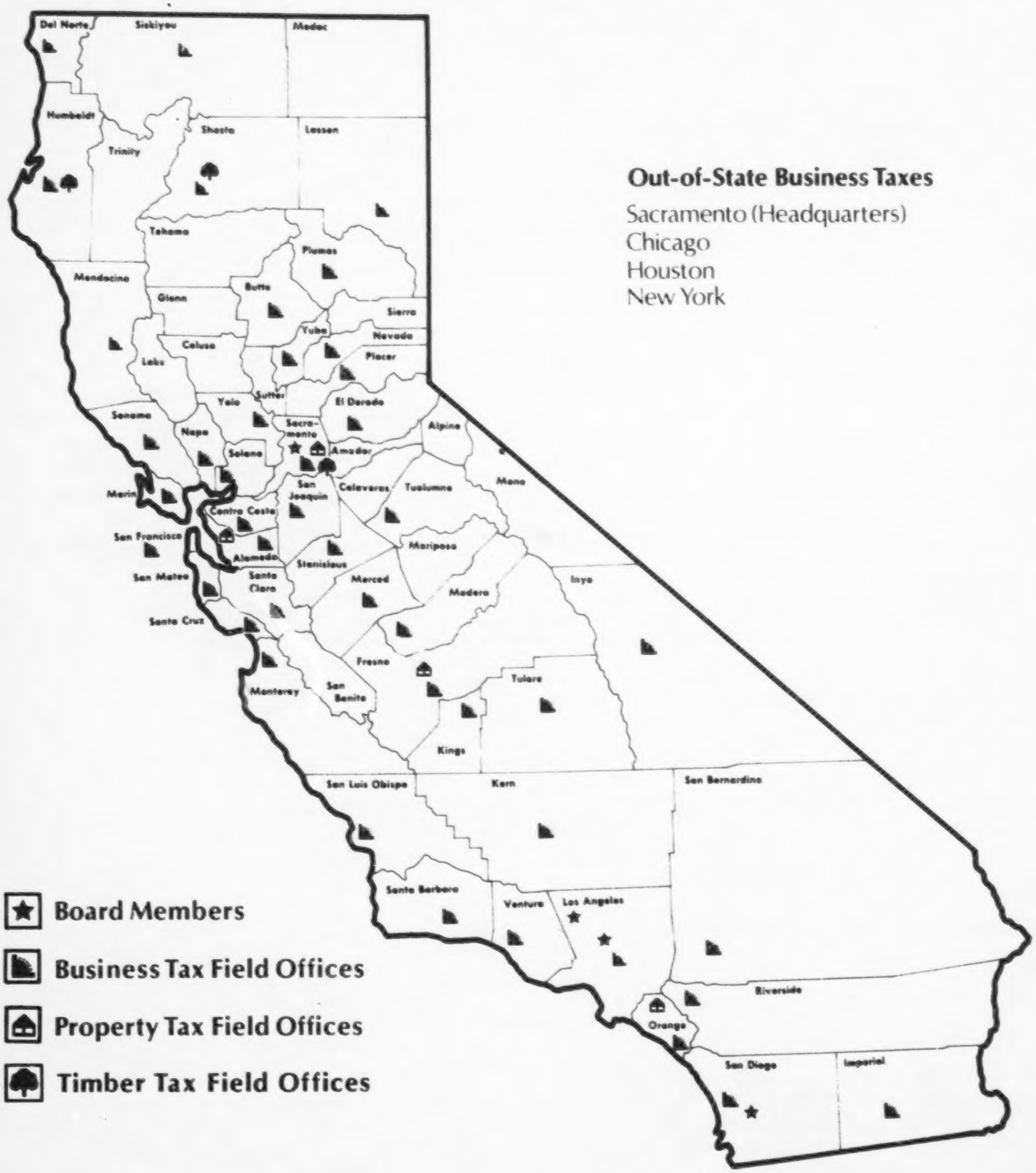
[c] Includes (1) property taxes; (2) state-administered local sales and use taxes, whether distributed or withheld by the state as a service charge; (3) franchises; (4) business license taxes; (5) animal licenses; (6) bicycle licenses; and (7) ad valorem special assessments collected by county officials—levies which are extended against the assessed values of land and improvements (but not personal property) to finance activities which are supposed to confer benefits on each property owner of a value approximately equal to his share of the levy.

[d] Estimated.

[e] Beginning with 1976–77 the federal fiscal year runs from October 1, through September 30.

[r] Revised.

State Board of Equalization Field Offices



Out-of-State Business Taxes

Sacramento (Headquarters)
Chicago
Houston
New York

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CALIFORNIA STATE BOARD OF EQUALIZATION OFFICES

District	Board Members	Office Address	Area Code	Telephone Number
First	CONWAY H. COLLIS*	16933 Parthenia St., Sepulveda 91343	213	891-0433
Second	ERNEST J. DRONENBURG, Jr.	110 West C St., Suite 1709, San Diego 92101	619	237-7844
Third	WILLIAM M. BENNETT	1020 N St., Sacramento 95814	916	445-4081
Fourth	RICHARD NEVINS	20 E. Foothill Blvd., Caller 16, Arcadia 91006-0016	213	681-3551
State Controller	KENNETH CORY	State Capitol, Room 1114, Sacramento 95814	916	445-3028
SACRAMENTO HEADQUARTERS	DOUGLAS D. BELL, Executive Secretary	1020 N St., Sacramento 95814	916	445-6464

California Cities Business Taxes Field Offices	**Office Hours 8-5 Unless Otherwise Listed Below**	**Office Address**	**Area Code**	**Telephone Number**
Arcadia		20 E. Foothill Blvd., 91006	213	350-6401
Auburn	8-12 & 1-5 M thru F	550 High St., Suite 3, 95603	916	885-8408
Bakersfield		525 18th St., 93301	805	395-2880
Bishop	8-12 & 1-5 M thru F	407 W. Line St., Room 3, 93514	619	872-3701
Chico	8-12 & 1-5 M thru F	8 Williamsburg Lane, 95926	916	893-0266
Covina		233 N. Second Ave., 91723	213	331-6401
Crescent City	8-12 & 1-5 M thru F	422 Second St., 95531	707	464-2321
Downey		11229 Woodruff Ave., 90241	213	773-3480
El Centro	8-12 & 1-5 M thru F	380 N. 8th St., Suite 4, 92243	619	352-3431
El Cerrito	8-12 & 1-5 M thru F	11161 San Pablo Ave., 94530	415	540-2909
Eureka	8-12 & 1-5 M thru F	1656 Union St., Room 119, 95501	707	442-4503
Fresno		2550 Mariposa St., Room 2080, 93721	209	445-5285
Hanford	8-12 & 1-5 M thru F	422 N. Douty St., Suite D, 93230	209	584-6631
Hayward	8-12 & 1-5 M thru F	795 Fletcher Lane, 94544	415	881-3544
Hollywood		5110 Sunset Blvd., 90027	213	663-8181
Inglewood		630 N. LaBrea Ave., 90302	213	678-8964
Long Beach		4140 Long Beach Blvd., 2nd Floor, 90807	213	636-2466
Madera	8-12 & 1-5 M thru F	501 North E. St., 93637	209	674-2007
Marysville		922 G St., 95901	916	674-4301
Merced	8-12 & 1-5 M thru F	3191 M St., Suite A, 95340	209	383-2831
Modesto		1020 15th Street, Suite E, 95354	209	576-6360
Mt. Shasta	9-12:30 & 1-3:30 M thru F	326 N. Mt. Shasta Blvd., Suite 8, 96067	916	926-4624
Napa	8-12 & 1-5 M thru F	3273 Claremont Way, Suite 104, 94558	707	252-2131
Nevada City	8-12 & 1-5 M thru F	301 Broad St., 95959	916	265-4628
Oakland		1111 Jackson St., Room 7072, 94607	415	464-0347
Ontario	8-12 & 1-5 M thru F	320 West G St., Suite 105, 91762	714	983-5969
Oroville	8-12 & 1-5 M thru F	2445 Oro Dam Blvd., Suite 3A, 95965	916	534-2359
Palmdale	8-12 & 1-5 M thru F	37925 N. Sixth St., East, 93550	805	947-8911
Placerville	8-12 & 1-5 M thru F	100 Forni Rd., Suite 1B, 95667	916	622-1101
Pleasant Hill	8-12 & 1-5 M thru F	395 Civic Dr., Suite D, 94523	415	687-6962
Quincy	9-1 M thru F	546 Lawrence St., 95971	916	283-1070
Rancho Mirage	8-12 & 1-5 M thru F	42-700 Bob Hope Drive, Suite 301, 92270	619	346-8096
Redding		2135 Akard Ave., 96001	916	246-6261
Sacramento		1891 Alhambra Blvd., 95816	916	739-4911
Salinas		21 W. Laurel Dr., Suite 77, 93906	408	443-3008
San Bernardino		303 W. Third St., Suite 500, 92401	714	383-4701
San Diego		1350 Front St., Room 5047, 92101	619	237-7731
San Francisco		350 McAllister St., Room 2262, 94102	415	557-1877
San Jose		1550 The Alameda, Suite 220, 95126	408	277-1231
San Luis Obispo		940 Chorro St., 93401	805	549-3131
San Marcos		365 So. Rancho Santa Fe Road, 92069	619	744-1330
San Mateo		520 So. El Camino Real, Suite 740, 94402	415	573-3578
San Rafael	8-12 & 1-5 M thru F	7 Mt. Lassen Drive, Suite B-136, 94903	415	472-1513
Santa Ana		28 Civic Center Plaza, Room 239, 92701	714	558-4051
Santa Barbara		411 E. Canon Perdido St., Room 11, 93101	805	965-4535
Santa Cruz	8-12 & 1-5 M thru F	303 Water St., Suite 6, 95060	408	423-6683
Santa Maria		1529 Stowell Center Plaza, Suite B, 93454	805	925-7417
Santa Rosa		50 D St., 95401	707	576-2100
Sonora	8-12 & 1-5 M thru F	101 S. Stewart St., 95370	209	532-6979
South Lake Tahoe	8-12 & 1-5 M thru F	3368 Lake Tahoe Blvd., Suite 302, 95705	916	544-4816
Stockton		31 E. Channel St., Room 264, 95202	209	948-7720
Susanville	9-1 M thru F	80 N. Roop St., 96130	916	257-3429
Ukiah	8-12 & 1-5 M thru F	262 E. Smith St., 95482	707	462-1988
Vallejo	8-12 & 1-5 M thru F	440 Santa Clara St., Suite 2, 94590	707	642-7546
Van Nuys		16933 Parthenia St., Sepulveda, 91343	213	891-6602
Ventura		2590 E. Main St., 93003	805	654-4523
Visalia		213 N. West St., 93277	209	732-5641
West Los Angeles		11870 Santa Monica Blvd., 90025	213	879-0600
Woodland	8-12 & 1-5 M thru F	96 W. Main St., Suite 2, 95695	916	662-7331
Out-of-State Field Offices				
Sacramento Headquarters		1820 14th St., 95814	916	322-2010
Chicago, Illinois		150 N. Wacker Dr., Room 1550, 60606	312	782-7253
New York, N.Y.		675 Third Ave., Room 520, 10017	212	697-4680
Houston, Texas	(By appointment)	9800 Northwest Freeway, Brookhollow 2, Suite 108, 77092	713	681-1106

Property Taxes Field Offices			
Eureka (Timber)	1656 Union Street, Room 120, 95501	707	445-2031
Fresno (Assessment Standards)	2550 Mariposa St., Room 5012, 93721	209	445-5305
Hayward (Assessment Standards—Valuation)	795 Fletcher Lane, 94544	415	881-3544
Redding (Timber)	2400 Washington Ave., Suite 210, 96001	916	246-6581
Sacramento (Assessment Standards)	1325 S Street, 95814	916	445-4982
Santa Ana (Assessment Standards)	28 Civic Center Plaza, Room 131, 92701	714	558-4014
Santa Ana (Valuation)	28 Civic Center Plaza, Room 131, 92701	714	558-4011

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* Conway H. Collis succeeded George R. Reilly in August 1982.